

TOWN OF NEW CANAAN, CONNECTICUT

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**



FOR THE YEAR ENDED JUNE 30, 2019

TOWN OF NEW CANAAN, CONNECTICUT

**Comprehensive Annual Financial Report
For the Year Ended June 30, 2019**



Published by Finance Department

**New Canaan Town Hall
77 Main Street
New Canaan, Connecticut 06840**

**Sandra L. Dennies
Chief Financial Officer**

Town of New Canaan, Connecticut
Comprehensive Annual Financial Report
For the Year Ended June 30, 2019

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Introductory Section

TOWN OF NEW CANAAN

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December 5, 2019

Residents of the Town of New Canaan
First Selectman, Kevin Moynihan
Treasurer, Andrew Brooks
Members of the Board of Selectmen
Members of the Town Council
Members of the Board of Finance
Members of the Audit Committee

We are pleased to provide this Comprehensive Annual Financial Report (“CAFR”) of the Town of New Canaan, Connecticut for the fiscal year ended June 30, 2019. State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement.

Management assumes full responsibility for the completeness and accuracy of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide a reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

PKF O’Connor Davies, LLP has issued an unmodified (“clean”) opinion on the Town of New Canaan’s (“Town”) financial statements for the year ended June 30, 2019. The independent auditors’ report is located at the front of the financial section of this report. Management’s discussion and analysis (“MD&A”) immediately follows the independent auditors’ report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Town

Recognized by Connecticut’s colonial legislature in 1731, Canaan Parish was a religious parish in northeastern Stamford and northwestern Norwalk, for seventy years. The Town was incorporated in May 1801 as Connecticut’s 108th town. Located in lower Fairfield County, the Town encompasses 22.6 square miles. It is located between Stamford and Wilton, with New York State to the north and Norwalk and Darien to the south. Some refer to the Town by its nickname “The Next Station to Heaven” situated at the end of a Metro-North Railroad branch line. Close to the Merritt Parkway and the I-95 corridor with easy access to major Fairfield County communities and 45 miles from Manhattan makes New Canaan the ideal location for commuters and families. The Town is primarily a suburban residential community with high quality single-family homes and few commercial properties.

The Town, rich in its antiquity, developed from its early years as a New England village with a heritage primarily of agriculturalists and shoemakers into a cultured suburban community. Most residents are in the executive, professional, financial, technical, and managerial categories employed in New York City and Westchester and Fairfield Counties. Area residents all relish the unique New England downtown with its beauty and charm offering a variety of exclusive retail shops, restaurants, banking institutions and businesses.

The Town of New Canaan takes pride in its excellent schools. The nationally recognized New Canaan public school system includes three elementary schools, a middle school and a high school, providing facilities for 4,134 students. The New Canaan Country School (grades K-9); Saint Aloysius School (grades K-8); and Saint Luke's School (grades 7-12) are excellent private schools located in the Town.

The U.S. Census Bureau, 2013-2017 American Community Survey, data has the Town's current population at 20,357. The Town is served by air and rail service from the New York City Metropolitan Tri-State area.

The Town is governed by a First Selectman, Town Council form of government and provides a full range of municipal services to its citizens. These include: education; police and fire protection; public works and sanitation; highways, streets and infrastructure maintenance; parks, recreational and cultural services; health and social services; volunteer ambulance service; full scope land use with planning and development and general administrative services. A listing of Town offices and further information about the Town may be found on the Town's official web site, www.newcanaan.info.

Factors Affecting Financial Condition

Population growth in the Town has been relatively moderate over the past thirty years. However, the Town is one of the highest per capita income areas in the United States. According to the U.S. Census Bureau, 2013-2017 American Community Survey, the Town's median household income was \$211,875 versus the state median family income of \$93,800.

According to the U.S. Census Bureau, 2013-2017 American Community Survey, it is estimated that among New Canaan's population over the age of 25, 41.6% hold a Bachelor's degree and 35.6% hold a graduate or professional degree. The population is broken down as follows: 2.3% ages 85 and above; 13.3% ages 65 to 84; 14.9% ages 55 to 64; 17.2% ages 45 to 54; 12.7% ages 35 to 44; 7.1% ages 20 to 34; 27.2% ages 5 to 19; and 5.5% under the age of 5. These statistics give a strong indication of the professional working families that reside in New Canaan to take advantage of all New Canaan has to offer.

The Town of New Canaan is a destination for arts, architecture and open space: The 1949 Philip Johnson's Glass House and The River Building at Grace Farms designed by the prestigious Japanese architectural firm SANAA, as well as the Waveny property with 250 acres of woods, meadows, running trails, sports fields, paddle tennis courts, pool and buildings housing the Lapham Community Center, Carriage Barn and the Powerhouse Theatre. The Mead Memorial Park, Kiwanis Park, and Irwin Park provide for playgrounds, playing fields, walking trails and a swimming pond.

The pleasant Town center provides numerous restaurants offering a vast array of menu options, an impressive variety of independent family-owned shops, top-notch national retailers and a range of business services. Without flashy signage or fast moving traffic, everything is contained in a walkable few blocks that become the focus of celebration and community spirit during holidays and times of remembrance. It is a town that draws visitors from the tri-state area who come for an enjoyable day of shopping, dining, playing or just strolling.

The Town utilizes an adopted Plan of Conservation and Development to guide development and maintain the rural character of the Town. The current Plan of Conservation and Development was adopted in June of 2014. Zoning regulations were first adopted in 1932 and are reviewed and modified on a regular basis. Approximately 88% of the Town is zoned for one, two and four acre residential use, 7% is zoned for one-half acre or less residential use and 1% is zoned for business purposes. Approximately 4% includes the following zoning districts: multi-family, apartments or Millport Housing Zone and Park, Recreation and Open Space and the Waveny zone. Open space and preservation of the rural character of the Town are major goals and the Town boasts beautiful parks, of which there are six large tracts, several neighborhood parks and smaller acreages boasting beautiful trails. The New Canaan Land Trust lists an additional 398 acres of woods, pastures, and nature trails available for New Canaan residents to enjoy.

The New Canaan Board of Realtors reports the New Canaan Multiple Listing Service's average sale price for single family homes during the July 1, 2018 through June 30, 2019 period was \$1,561,950. This is an 11% decrease from the prior year. The average sale price for condominiums listed through the New Canaan Multiple Listing Service was \$800,485 with the number of units sold increasing 16% compared to the prior year. Demand has remained strong for condominiums, especially for those residents wishing to downsize from larger homes in the 2-4 acre zoning to smaller in-town spaces and in mixed-use buildings. One developer in Town is currently building 115 high value units to accommodate that market. Planning and Zoning has encouraged mixed-use development near the downtown area. The Town is seeing major growth in multi-family housing along with street-level and retail square footage coming onto the real estate market with non-traditional retail entities showing heightened interest.

In addition to single family homes, two-family and condominium units, the Town has affordable housing rental units with project-based vouchers that are administered through the Town's Housing Authority. The Authority has worked to expand the number of affordable units available in New Canaan. In 2009 the Authority began renovating and subsequently completed work on the Mill Apartments. The eight one story brick buildings that originally sat on the property were demolished and nine new townhouse buildings containing forty new one to three bedroom units were constructed. In 2016, the Housing Authority completed two new buildings containing thirty-three one to three bedroom units on an adjacent parcel and two additional new buildings in the same development containing forty one to three bedroom units which began renting in the spring of 2018; thus completing the revitalization of the Mill/Millport Apartments property. The Housing Authority is partnered with the local not-for-profit New Canaan Neighborhoods to revitalize the Canaan Parish project that will replace 60 outdated Section 8 voucher units with 60 new Section 8 voucher units and an additional 40 new affordable housing units.

The Town of New Canaan holds the highest tax collection rate in the State of Connecticut with a rate of 99.5% in FY 19. The Town is proud to hold a tax collection rate of 99.5% or better for the past six years and of 99.2% or better for the past 12 years. The Town's most recent full tax assessment revaluation was for the 2018 Grand List. The grand list year 2018 resulted in a net taxable grand list of \$7,706,360,081 a \$637,960,365 decrease (-7.65%) overall from Grand List year 2017 of \$8,344,320,446.

The Town has a Sewer taxing district with a total 2017 Grand List of \$2,126,055,107 an increase (1.6%) over the 2016 Grand List of \$2,092,542,464. The Sewer District number applies to only real estate. The Town annually appropriates sufficient funds to operate the sewer system and to provide for contingency funds as may be required. Prior to the department exceeding budget, a request must be made to the Sewer Authority of the Town, the Board of Finance. In fiscal year 2019 the Board of Finance acting as the Town's Sewer Authority took necessary steps to move to a "Sewer User Fee" for billing starting with the July 1, 2019 billing cycle. The user fees more accurately reflect the property's use of the sewer system than the tax which is solely based upon the assessment of the property.

Form of Government

The Town operates under a Charter adopted in 1935 and most recently amended November 9, 2016. Municipal elections for Town officials including the three-member Board of Selectmen, twelve member Town Council, Treasurer, three Registrars of Voters, and Town Clerk are held biennially on the first Tuesday following the first Monday of November in odd-numbered years in accordance with the Charter. Various other municipal positions are also elected including the nine-member Board of Education. Terms are staggered. Minority party representation is required on all boards, commissions, committees or similar bodies, whether elected or appointed, as provided in the General Statutes and the Town Charter.

The Board of Selectmen is responsible for carrying out its duties as provided in the Charter and any other duties that may be prescribed by the General Statutes and municipal ordinances. The Board of Selectmen serves as the Purchasing and Hiring Authority for the Town. In addition, the Board appoints the members of boards, commissions or committees whose members are not elected. The First Selectman is the Chief Executive Officer of the Town.

The Town Council is the Legislative Branch of Town government and is made up of twelve elected members. The Town Council carries out the legislative powers provided by the Charter and the General Statutes and must approve all appropriations. At each biennial Town election, six members are elected for a term of four years. The Town Council is required to meet at least once every two months, but it has become the custom to meet monthly. The First Selectman serves as an ex officio member.

The Board of Finance is made up of eight members and three alternate members. The Board of Selectmen in November of each year appoints two members to hold office for a term of four years, which appointments are confirmed by the Town Council. In addition to the eight members, the First Selectman is an ex officio member. The First Selectman has no vote except in the case of a tie vote. The Board of Finance oversees the finances of the Town, making budget recommendations and setting the mill rate. It also makes recommendations on the authorization of bonds and acts as the Town's Sewer Authority.

Summary of Municipal Services

Police: The New Canaan Police Department is a full-service law enforcement agency that provides 24 hours, 7 days a week service to the Town and responds to some 18,000 incidents annually. The Department is a nationally accredited agency and is one of only two Commissions on Law Enforcement Accreditation (CALEA) agencies in Fairfield County. The Department includes 47 sworn officers, which includes a Chief of Police, a Deputy Chief, a Captain of Staff Services, a patrol division and an investigative section. Specialized positions which help the Department provide an exceptional level of service to the community include: a Special Response Team, a Canine Team, Foot Patrol Officers in the center of Town and two School Resource Officers. As a direct result of the commitment and expertise of its officers, the Town enjoys a very low crime rate, making New Canaan one of the safest towns in Connecticut.

Fire: Fire protection is furnished by 35 volunteers and 25 full-time career firefighters, including a Fire Chief; a full-time Fire Marshal, two part-time deputy fire marshals and a part-time administrative assistant. The Fire Department funds support both Town employees and volunteers. The Fire Department has one central station and seven fire-fighting vehicles. New Canaan's fire suppression services are recognized as being among the best in the country having earned an ISO PPC rating of 4/4Y. Improvements in firefighting water supply have been made including replacement of old models of fire hydrants with modern four-inch hydrants and increasing the number of hydrants in Town. Improved equipment and training are keeping residents safe and minimizing risk to our firefighters.

Emergency Medical Services: The New Canaan Volunteer Ambulance Corp. (“NCVAC”) operates twenty-four hours a day, seven days a week with 40 volunteers. The NCVAC service was established in 1975 and operates three ambulances. NCVAC is supported by Town contributions, in addition to private contributions. The service is provided free of charge.

Land Use: The Town Building Department has a Chief Building Official who serves as the Director of Land Use and is the Enforcement Officer for the Historic District Commission, Blight Ordinance and Demolition Delay Ordinance. The Building Department consists of two full-time Inspectors and a full-time Office Administrator. It is the responsibility of the Building Department to issue building permits, perform site inspections periodically throughout construction and issue Certificates of Occupancy upon code compliant completion of construction activity. The design criteria for construction activity regulated by the Building Department is all governed by the CT State Building Code. A part-time records manager is responsible for maintaining all land use records in accordance with the governing CT General Statutes.

The Town has a full-time Planner, part-time Assistant Planner, full-time Zoning Inspector, full-time Office Administrator, Planning and Zoning Commission, Zoning Board of Appeals, a committee that oversees the implementation of the Plan of Conservation and Development, an Inland Wetlands Commission, and a Conservation Commission. The Town Zoning Regulations and map identify the various zoning districts. Town zoning districts allow for two family and multi-family residential development primarily near the Town center. The majority of the Town is single-family residences, on lots ranging in size from less than one-quarter acre closer to town to four acre lots in the more outlying areas. Many of the four-acre zoned properties are located in watershed collection areas.

The Town Health Department employs a Director of Health and a full-time Sanitarian and a full-time Office Administrator who works with both the Planning & Zoning and Building Departments to oversee the construction of all new and existing well and septic systems. Design criteria for construction is regulated by the Health Department which is governed by the Connecticut State Health Code. The Health Department also inspects and licenses all food establishments, public swimming pools and salons annually.

Human Services: The Human Services Department administers and coordinates youth, adult, and senior services and assists residents in need of critical essentials such as food, shelter, safety and health. The 5 full-time staff department provides short-term counseling and case management services and offers assistance and referral for transportation, housing, state and federal programs, financial hardships and health and welfare. The department collaborates with numerous town providers to offer a wide range of educational opportunities to increase awareness of key topics, and continues to build on positive programs for youth and families. Programs offered include Municipal Agent on Aging to assist with identification of resources for seniors, CHOICES to assist in navigation of the Medicare system, Veterans’ Services, Tele-Health, Community Nursing, New Canaan Food Pantry, Energy Assistance and Renters Rebate, Domestic Violence Partnership, Networking for Youth and Teen Talk Counselor, New Canaan Coalition offering preventive and positive programs to allow New Canaan youth and families to reach their full potential as well as Loan Closet for short term loan of medical equipment.

Recreation: The Recreation Department administers and coordinates a comprehensive recreation program designed for year-round activities for all ages with 8 full-time staff and up to 300 part-time program providers. Programs consist of tennis, basketball, softball, baseball, flag football, paddle tennis, soccer, before and after school programs, sports clinics and summer day camps. The Department also operates a seasonal swimming pool at Waveny Park and a swimming pond at Kiwanis Park. The Lapham Community Center located in Waveny Park provides the community with adult and senior activities. The Waveny Carriage Barn and Powerhouse Theater provide the community with art exhibits, movies, lectures and a variety of theatrical productions.

Public Works: The Department of Public Works is responsible for the maintenance of the following: 125 miles of Town roads (through a pavement management program), 27 large span bridges, all small bridges and culverts, approximately 125 miles of drainage as well as 19 miles of sidewalks (through a sidewalk management plan.) The Department also maintains 10 baseball fields, up to 30 playing fields depending upon time of year, 50 acres of grass fields, 10 acres of synthetic fields and over 350 acres of parks and grounds at each of the Town facilities and Town-owned buildings. The Department maintains 57 separate buildings and structures through a facilities management plan. The Department also maintains the Town's fleet of vehicles and equipment comprised of over 125 separate pieces. The staff total of 54 are divided amongst eight separate divisions including: Administration, Engineering, Highway, Parks, Buildings Maintenance, Transfer Station, Tree Service and Wastewater.

Solid Waste: The Town of New Canaan's garbage and other solid waste is transported to Wheelabrator Bridgeport to be incinerated. This fiscal year a total of 6096 tons of trash were directed to Bridgeport Wheelabrator for incineration. After the 2014-2015 fiscal year the Town changed its recycling services from dual stream to single stream. The Town has seen an increase in use of recycling services since this change, with 1,336 tons collected during the 2014-2015 year of dual-stream services, and 1,580 tons collected for the most recent 2018-2019 year of single-stream services.

Sewer: The Town operates an extended aeration carousel process which was specifically designed to reduce the amount of nitrogen discharge into the Five Mile River and ultimately entering the Long Island Sound. The Town has 26 miles of sewer lines and three pumping stations within its collection system. The collection system covers approximately 22% of the land area of the Town and serves approximately 40% of the households and businesses. The facility has taken steps since the 2015 discharge permit was issued to ensure that the phosphorus levels remain low and no future and highly-priced upgrade would be required for New Canaan to meet the state's stringent standards for phosphorus. The Connecticut Department of Environmental Protection has accepted the efforts of the New Canaan plant to address the phosphorus removal requirements.

Educational System

The Town's school system consists of five schools located strategically in Town, which accommodated 4,134 students in 2018-2019. There are three schools for students from grades kindergarten through grade four, one middle school for grades five through eight and one high school for grades nine through 12. The District also provides programs for students with special needs. A nine member, elected Board of Education governs the New Canaan Public Schools. According to the Connecticut Economic Resource Center, the graduation rate in New Canaan is 99%.

The District receives annual funding from the Town for both operational needs and capital projects. While a significant portion of the operational budget funds fixed costs, the District continuously pursues opportunities to reduce expenses by implementing efficiencies. For example, in 2018-2019, the District saved approximately 30% of the annual cost for document reproduction by insourcing this service from a contractor, negotiated favorable changes in the plan design for employee health benefits with the unions and increased the efficiency and cost-effectiveness of the facility maintenance operation by replacing general mechanics with licensed tradesmen. The District also worked with Town officials to plan for capital needs, and energy conservation continued to be a high cost containment priority. During 2018-2019, the District developed plans and specifications to replace the roof at South Elementary School. After the completion of this project in the summer of 2019, the District will install a solar system on the new roof, which will provide 70% of the school's electricity. The District also completed an extensive high efficiency indoor light replacement project in all three elementary schools in 2018-2019, which will reduce energy consumption by approximately 20%. These cost savings, along with other efforts, have enabled the District to keep operating budget increases as low as possible while maintaining an exceptionally high level of student academic performance and other outstanding achievements.

In 2018-2019, the New Canaan Public Schools continued its tradition of broadly recognized achievement. This past year, USA News & World Report and Niche.com ranked the New Canaan Public Schools in the top 1 percent of school districts in America and SchoolDigger.com ranked the District as the number two school district in Connecticut. Niche.com's Connecticut rankings had our three elementary schools in 1st, 2nd, and 4th, with Saxe Middle School 1st and New Canaan High School as 2nd. They also ranked the New Canaan Public Schools as the safest school district in Connecticut and in the top 1 percent of safest schools in America. While these accomplishments highlight some of the good work that takes place in our schools, it is the investment in high quality staff, and appropriate levels of services, technology, materials and facilities that enable each of our students to achieve at high levels.

Municipal Employees

The Town has a work force of 930 employees. 185 full-time employees work on the Town side and 745 full-time employees are employed by the Board of Education. There are four unions within the Town: Police, Fire, Public Works and a Town Hall union. Of the 183 employees on the Town side 145 belong to one of these four unions. There are six unions in the Board of Education: Teachers Union, Secretary, Custodians, Cafeteria Workers, Administrators, and Teacher Assistants. Of the 745 Board of Education employees 652 belong to one of the six unions.

Budgetary Procedures

The annual budget serves as the foundation for the Town of New Canaan's financial planning and control. The Board of Finance recommends budget sizing, acceptable debt and taxation. The funds subject to the annual appropriation are the General Fund, Tax Supported Capital, Sewer Taxing District Fund and Waveny Pool enterprise fund, each having operating and capital budgets. The Tax Supported Capital Fund is reviewed for projects to be closed out or to be carried forward for an additional year or to be the subject of a Special Appropriation if they have exceeded the two year timeframe for completion set by the Charter.

Bonded Capital Projects are projects that are considered during budget review with regard to the Town's intent to authorize, by resolution, those projects moving forward. Those bond resolutions are then put forward immediately following conclusion of the regular budget cycle during which those projects were discussed. The approved resolutions authorize the subject program to be initiated with the understanding that a future sale of bonds will cover up to the total amount of the program costs authorized in the resolution.

All recommendations for appropriations are made to the Town Council and are accompanied by an estimate produced by the Board of Finance showing the amount of revenue the Town will receive from all sources except taxation, an itemized list of debts and obligations of the Town as of the date of the last meeting following the public hearing of the Board of Finance, and a detailed statement showing the amount of increase or decrease of the proposed appropriations as compared to the previous appropriations. Such recommendations must include the amount of any unexpended balances or surplus to be applied against appropriations and a reserve for uncollectible taxes. If the Town Council reduces the proposed appropriations in an amount exceeding five percent (5%), then the amount of unexpended balances or surplus to be applied is reconsidered by the Board of Finance for final action.

Departments are required to function within their department operating and capital budgets and they cannot exceed their department budget without making a request to, and receiving a special appropriation of contingency resources, from the Board of Finance.

Major Development Initiatives

The Town Treasurer's responsibilities were expanded by Charter revision in 2017 referencing the laws as contained in the Connecticut State Statutes which gave the Treasurer enhanced responsibilities for the revenues and expenditures of Town, as well as greater responsibility in reporting, investment, banking and cash management. Those responsibilities were fully assumed by the Town Treasurer in fiscal 2018 with an Investment Policy adopted by the Board of Finance. The Treasurer introduced a procurement card program earning 1.8% reimbursement to the Town for disbursements paid under the system. That system will be fully implemented in 2020.

The Town also took steps to bring capital asset inventory in house. The system has been tested and will be fully implemented in 2020 with information on those assets verified by departments quarterly going forward.

Long-Term Financial Planning

In light of the impact of the Town's recent revaluation along with Congressional action on the State and Local Tax ("SALT") deduction and the impending growth of the municipal budget on next year's mill rate, the Board of Finance has initiated discussion on how to reduce municipal budgetary impact on local properties. The Board of Finance continues to monitor the State budget and has cautiously included State revenues in the fiscal year 2020 budget that had previously been in doubt but were retained by the new Governor. Additionally, the potential liability from the state with regard to the Teachers' Retirement Board and proposed changes to the Town's responsibility for contribution of a portion of the teachers' pension expense remains a concern although the legislation has not progressed that would impose the change. A Debt Management Committee was also formed by the Board of Finance to assess the Town's debt and to develop a guideline for Town debt going forward. That guideline adopted by the Board of Finance at their October 2018 meeting, suggests that the Town reduce the amount of debt it assumes going forward and provides the metrics by which debt can be measured. Further detail on the Town's debt can be found in the Financial Statements Exhibit K. Note III F. Changes in Long Term Obligations. The Board of Finance has worked diligently with information provided by the Finance Department to focus budget guidelines for use by all town departments, agencies and the Board of Education in the construct of their budget for the next fiscal year in order to achieve the goal of mitigating extraordinary budgetary increase.

Relevant Financial Policies

The Town's financial policies have been applied consistent with the prior year with the exception that capital assets over the \$10,000 (prior year \$5,000) threshold be added to the list of assets to the Town. That change had little notable effect on the current year financial statements.

Policies surrounding the tax supported capital previously reflected in the capital non-recurring fund were implemented in fiscal year 2019 such that tax supported capital projects continuing beyond two years required special appropriation in order to allow them to continue or they were closed out if they were no longer active in order to maintain conformance with New Canaan Charter mandates. That practice will continue going forward.

There were no developments at the state level that negatively impacted the current year financial statements, although that risk persists for future years. Positive impact was the awarding of funding to the Town which had been in jeopardy during the budget season for the 2019 fiscal year, allowing the Town to record revenues in excess of those budgeted.

Awards and Acknowledgements

For 2018 the Town of New Canaan was awarded a Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association (GFOA). The Town will again submit its Fiscal Year 2019 Comprehensive Annual Financial Report (CAFR) to the GFOA to receive consideration for another Certificate of Achievement for Excellence in Financial Reporting.

Also for 2018, the Town of New Canaan received a Popular Annual Financial Report Award from the GFOA. The GFOA established the Popular Annual Financial Reporting Awards Program (PAFR Program) in 1991 to encourage and assist state and local governments to extract information from their CAFR and to produce high quality popular annual financial reports specifically designed to be readily accessible and easily understandable to the general public and other interested parties without a background in public finance. They then began to recognize individual governments that were successful in achieving that goal.

The Town has maintained an Aaa credit rating with Moody's Investor Services since 1975. The rating was reaffirmed by Moody's in October 2018.

The preparation of the Town's Comprehensive Annual Financial Report could not have been accomplished without the effective and dedicated services of the entire staff of the Finance Department along with all department personnel whose involvement was a key factor in completing this Comprehensive Annual Financial Report.

I would also like to thank the Board of Selectmen, especially the First Selectman for their support and guidance throughout this process along with the Town Treasurer, the Audit Committee, the Board of Finance and the Town Council for their continued interest and support in planning and executing the financial operations of the Town.

Respectfully submitted,



Sandra L. Dennies
Chief Financial Officer

Town of New Canaan, Connecticut

**List of Principal Officials
For Year Ended June 30, 2019**

Board of Selectmen

Kevin J. Moynihan, First Selectman
Nick Williams
Kit Devereaux

Town Council

John Engel III, Chairman
Sven Englund, Vice Chairman
Richard Townsend, Vice Chairman/Secretary
Tom Butterworth
Liz Donovan
Stephen Karl
Christa Kenin
Jim Kucharczyk
Mike Mauro
Joseph Paladino
Cristina Aquirre-Ross
Penny Young
Kevin J. Moynihan, ex officio

Board of Finance

Todd Lavieri, Chairman
Robert Spangler, Vice Chairman
Judy Neville, Secretary
Amy Murphy Carroll
George Blauvelt
Thomas Schulte
Neil Budnick
John Kanter
Michael Chen, Alternate
Chris LeBris, Alternate
Maria Weingarten, Alternate
Kevin J. Moynihan, ex officio

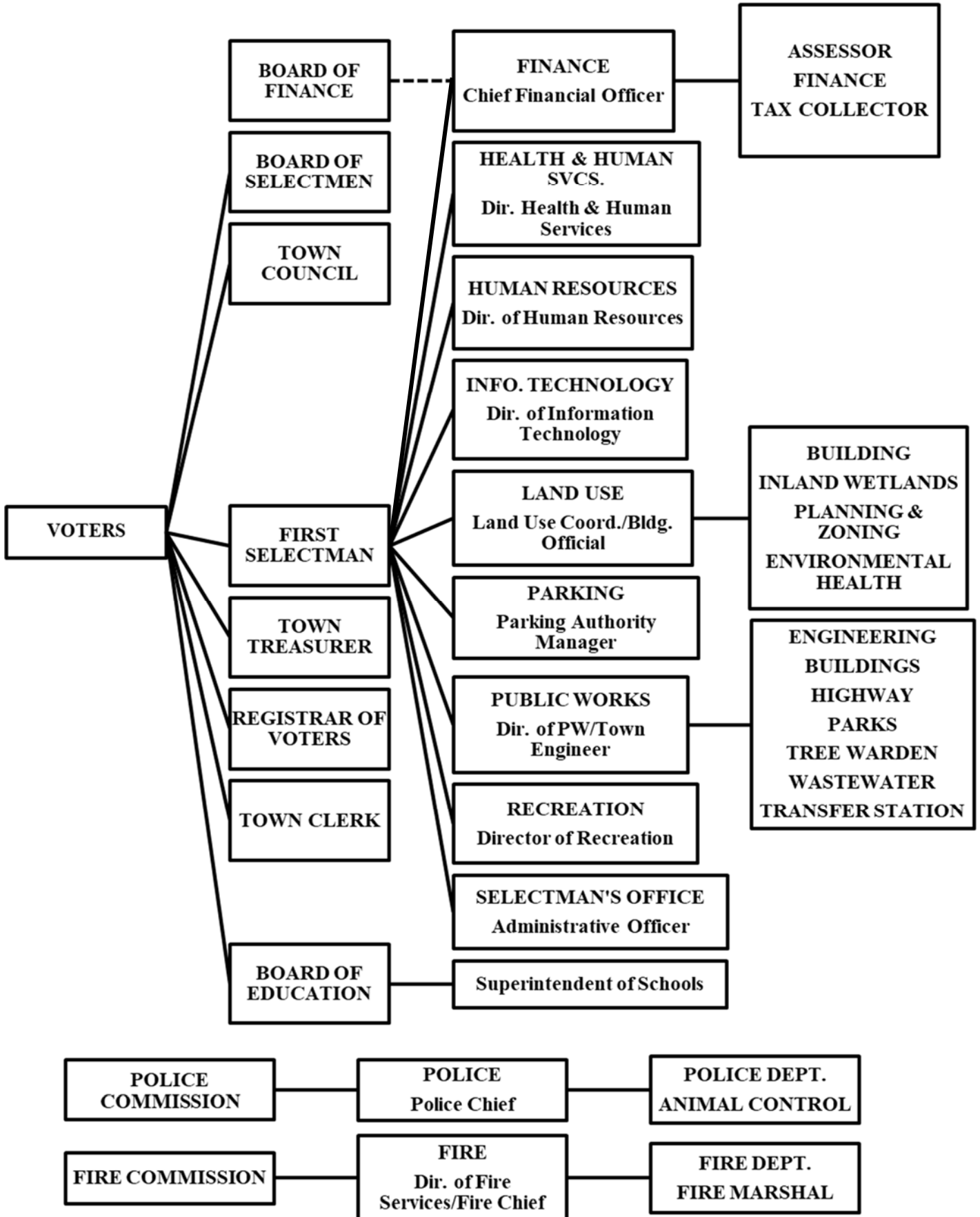
Audit Committee

William Parrett, Chairman
Charles Jacobson
Edward Kangas
John Lanaway
George Maranis

Other Officials

Andrew Brooks, Treasurer
Claudia Weber, Town Clerk
Sandra L. Dennies, Chief Financial Officer
Joanne C. Noone, Comptroller
Sebastian Caldarella, Assessor
Rosanna Di Panni, Tax Collector
Bryan Luizzi, Superintendent of Schools
Jo-Ann Keating, Director of Finance & Operations of Schools

Town of New Canaan, Connecticut Organizational Chart





Government Finance Officers Association

**Certificate of
Achievement
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in Financial
Reporting**

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**Town of New Caanan
Connecticut**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morrill

Executive Director/CEO

Financial Section



Independent Auditors' Report

**Town Council
Town of New Canaan, Connecticut**

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of New Canaan, Connecticut ("Town"), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Town Council
Town of New Canaan, Connecticut**

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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of New Canaan, Connecticut, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparisons and the pension and other post-employment benefit plan schedules, as listed in the table of contents respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The introductory section, supplemental schedules, statistical section and trend information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory, statistical and trend information sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Town Council
Town of New Canaan, Connecticut**

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Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2019, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

PKF O'Connor Davies, LLP

Wethersfield, Connecticut
December 5, 2019

TOWN OF NEW CANAAN

FINANCE DEPARTMENT
TOWN HALL, 77 MAIN STREET
NEW CANAAN, CT 06840

SANDRA DENNIES
Chief Financial Officer
Sandra.dennies@newcanaanct.gov

TEL: (203) 594-3024
FAX: (203) 594-3122

Management's Discussion and Analysis For the Year Ended June 30, 2019

Our discussion and analysis of the Town of New Canaan, Connecticut's ("Town") financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2019. Please read it in conjunction with the Town's financial statements and notes to the financial statements, which begin with Exhibit A in the financial section.

Financial Highlights

- The Town's total net position, at \$191,703,635 improved during the year by \$10,239,014. This change was due in part to the positive operations of the general fund in the amount of \$1,849,338, which was offset by the operations of the Bridge Replacement fund of \$316,441 and the other governmental funds of \$2,277,639. The most significant factor in the negative operation of the other governmental fund is from the Road fund of \$3,272,592. This expenditure activity during the fiscal year will be financed with bonding in a future fiscal year. The most significant factors in the increase were the large capital outlay net of depreciation expense of \$3,249,229 and net principal debt activity of \$6,781,813 (conversion to accrual basis on Exhibit E).
- Property tax revenues were \$143,580,010 or an increase of \$4,683,606 (3.4%) over the prior year. The increase was driven by the increase in the tax levy due to the increase in the budget and decrease in budgeted state grants. Due to the status of state budget deliberations the Town budget conservatively eliminated two state grants which the Town had received in the past. They were Education Cost Sharing (\$380,314) and Town Aid Roads (\$331,951) which were, in fact, received during the year.
- The Town decreased its long-term debt by \$9,934,792. The refunding of \$40,445,000 in bonds with \$38,105,000 of replacement bonds provided a \$2,340,000 debt reduction. Further, the issuance of \$5,800,000 general obligation bonds while retiring \$13,400,000 provided an additional \$7,594,792 debt reduction in fiscal year 2019. The Town's general obligation bonds continue to carry a Moody's rating of "Aaa".
- The Town's retirement plan, while maintaining its fully funded status, enjoyed a 6.60% money weighted rate of return, leading to a net investment income of \$9,064,783. The plan began the year with a net position of \$138,378,420. Throughout the year the plan paid out total benefits and fees of \$6,440,240 and received \$1,925,305 in contributions, ending the year with a net position of \$142,928,268.

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to financial statements. This report also contains other supplementary information as well as the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Town's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference being reported as the net position. Over time, increases or decreases in net position serve as a useful indicator of the Town's financial health. Other non-financial events such as the impact of changes in the Town's tax base or infrastructure should also be considered when evaluating the Town's financial health.

The *statement of activities* presents information showing how the Town's net position changed during the year. In this statement, all changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of when the cash is actually received or paid. Therefore, revenues and expenses are reported in this statement for some items whose cash flow may occur in a future fiscal period. Taxes uncollected but levied or vacation leave unused but earned are examples of this.

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenue (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Town include general government, public safety, public works, social services, parks and recreation, and education. The business-type activities of the Town include Waveny pool.

The government-wide financial statements can be found on Exhibits A and B of this report.

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the Town can be divided into the following three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds - Governmental funds are used to account for the same functions reported as governmental activities in the government-wide financial statements. Unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. This information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds to similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate a comparison between governmental funds and governmental activities.

Town of New Canaan, Connecticut Management's Discussion and Analysis (continued)

For governmental funds, the Town presents separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund and Bridge Replacement Fund which are considered to be major funds. The remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report (on Exhibits C, D and E).

Proprietary Funds - The Town uses two different types of proprietary funds. Enterprise funds are used to report the functions presented as business-type activities in the government-wide financial statements. The Town uses an enterprise fund to report the activities of the Waveny Pool. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Town's various functions.

The Town uses internal service funds to account for its employees and retirees' self-insured medical benefits. Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, but in more detail. The proprietary fund financial statements provide separate information for the Waveny Pool. The Waveny pool is considered a major fund.

The basic proprietary fund financial statements can be found on Exhibits F, G, and H.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on Exhibits I and J.

Notes to Financial Statements

The notes to financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found on Exhibit K of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Town's progress in funding its obligation to provide pension and retiree medical benefits to employees. This and other required supplementary information can be found immediately following the notes to financial statements.

The Town adopts an annual budget for its General Fund and Sewer Taxing District Fund. Budgetary comparison statements have been provided to demonstrate compliance with the budget (RSI-1A and RSI-1B).

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information.

**Town of New Canaan, Connecticut
Management's Discussion and Analysis (continued)**

Government-Wide Financial Analysis

**Summary Statement of Net Position
June 30, 2019 and 2018**

	Governmental Activities		Business-Type Activities		Totals	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 73,449,567	\$ 73,282,675	\$ 516,996	\$ 455,557	\$ 73,966,563	\$ 73,738,232
Capital assets (net)	266,917,766	263,691,007	1,443,869	1,483,257	268,361,635	265,174,264
Total assets	340,367,333	336,973,682	1,960,865	1,938,814	342,328,198	338,912,496
Deferred outflows of resources	723,722	812,222	-	-	723,722	812,222
Long-term liabilities outstanding	114,655,285	130,800,385	424,000	673,000	115,079,285	131,473,385
Other liabilities	23,453,032	24,141,268	580,876	544,059	24,033,908	24,685,327
Total liabilities	138,108,317	154,941,653	1,004,876	1,217,059	139,113,193	156,158,712
Deferred inflows of resources	12,197,092	2,101,385	38,000	-	12,235,092	2,101,385
Net investment in capital assets	148,240,757	137,636,402	770,869	611,257	149,011,626	138,247,659
Restricted	6,662,400	5,420,359	-	-	6,662,400	5,420,359
Unrestricted	35,882,489	37,686,105	147,120	110,498	36,029,609	37,796,603
Total net position	\$ 190,785,646	\$ 180,742,866	\$ 917,989	\$ 721,755	\$ 191,703,635	\$ 181,464,621

The above table focuses on the net position and the comparison of prior fiscal year to current fiscal year.

Some of the significant changes in the government-wide net position include:

- Among the Town's assets, the pension asset of \$9,755,172 was up from \$8,727,024 (see Exhibit K. Note V. A for additional information about the Town's Retirement Plan). The plan is funded at 107.33% of total pension liability.
- Net governmental capital assets total \$266,917,766 or \$419,228,442 gross of depreciation. Net governmental activities capital assets being depreciated increased by \$8,445,404 as the Town continues to maintain all its assets functional, safe and current. The most significant investments in the current fiscal year were Jelliff Road Bridge, Public Safety Radio Improvements, Mead Park Little League Field Replacement and the conclusion of the Saxe School addition. Governmental capital assets in fiscal year 2018 representing construction in progress totaled \$5,218,645 are now being depreciated. Capital assets are discussed in detail in the capital asset section of this MD&A (see also Exhibit K. Note III D).
- The deferred outflows of resources totaled \$723,722. Deferred outflows of resources, primarily account for differences in pension and other post-employment benefits ("OPEB"). These differences are then amortized to smooth out the pension and OPEB expense. In 2016 the plan earned 1.55%, in 2017 10.90%, in 2018 7.43% and in 2019 6.60% as compared to the projected earnings for the pension of 6.75%. Those amortized differences are reflected in deferred inflows (See RSI - 3A.) See Exhibit K, Notes V A – F for a detailed discussion of the Town's Retirement Plan and OPEB).

Town of New Canaan, Connecticut
Management's Discussion and Analysis (continued)

- Deferred inflows of resources increased \$10,095,707 from the prior year. The increase is due primarily to OPEB related deferred inflows for differences between expected and actual experience, which increased \$6,730,601. This favorable OPEB plan experience was due to a significant decrease in the number of retirees in the plan. Town premium rates were also less than expected compared to the healthcare cost trend rate. This deferred inflow will be amortized over 12 years. A smaller portion of the increase in deferred inflows of resources is due to the increase in the deferred charge on refunding of \$2,231,919. This increase is due to the current year refunding of general obligation bonds in which the new debt was less than the refunded debt. (see Exhibit K Note V A 11 and D 12).
- Another significant variance between this year and last year's governmental activities unrestricted net position is in the amount of net position that is restricted, but expendable for the designated purposes. There was an increase in the Special Projects Fund during the year of \$411,172 primarily due to significant gifts from the Waveny Park Conservancy (\$113,030), Aquarion Water Company for a paving contribution (\$302,450), the Family 4th Celebration (\$78,713), matching share of funding for the Getabout Program (Elderly and Disabled Transportation Program (\$135,596), and to support the Mead Park Playground renovation (\$117,635) (see Schedule 5).
- The Town's total net position, at \$191,703,635 improved during the year by \$10,239,014. This change was due in part to the positive operations of the general fund in the amount of \$1,849,338, which was offset by the operations of the Bridge Replacement fund of \$316,441 and the other governmental funds of \$2,277,639. The most significant factor in the negative operation of the other governmental fund is from the Road fund of \$3,272,592. This expenditure activity during the fiscal year will be financed with bonding in a future fiscal year. The most significant factors in the increase were the large capital outlay net of depreciation expense of \$3,249,229 and net principal debt activity of \$6,781,813 (conversion to accrual basis on Exhibit E).

**Town of New Canaan, Connecticut
Management's Discussion and Analysis (continued)**

**Statement of Changes in Net Position
For the Years Ended June 30, 2019 and 2018**

	Governmental Activities		Business-Type Activities		Totals	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program revenues:						
Charges for services	\$ 12,086,838	\$ 12,830,277	\$ 535,567	\$ 538,178	\$ 12,622,405	\$ 13,368,455
Operating grants and contributions	28,259,709	20,208,199	-	-	28,259,709	20,208,199
Capital grants and contributions	488,533	4,792,481	-	-	488,533	4,792,481
General revenues:						
Property taxes	143,580,010	138,896,404	-	-	143,580,010	138,896,404
Grants and contributions not restricted to specific programs	-	8,816	-	-	-	8,816
Investment income	1,525,984	633,426	-	295	1,525,984	633,721
Total revenues	185,941,074	177,369,603	535,567	538,473	186,476,641	177,908,076
Expenses:						
General government	13,772,904	13,165,262	-	-	13,772,904	13,165,262
Public safety	14,912,757	13,860,076	-	-	14,912,757	13,860,076
Public works	16,122,633	14,374,485	-	-	16,122,633	14,374,485
Social services	1,285,697	881,056	-	-	1,285,697	881,056
Park and recreation	2,439,125	2,040,125	-	-	2,439,125	2,040,125
Education	123,282,647	114,415,760	-	-	123,282,647	114,415,760
Waveny pool	-	-	377,329	387,528	377,329	387,528
Interest	4,044,535	3,691,511	-	-	4,044,535	3,691,511
Total expenses	175,860,298	162,428,275	377,329	387,528	176,237,627	162,815,803
Change in net position before transfers	10,080,776	14,941,328	158,238	150,945	10,239,014	15,092,273
Transfers	(37,996)	(50,318)	37,996	50,318	-	-
Total change in net position	10,042,780	14,891,010	196,234	201,263	10,239,014	15,092,273
Net position - July 1	180,742,866	165,851,856	721,755	520,492	181,464,621	166,372,348
Net position - June 30	\$ 190,785,646	\$ 180,742,866	\$ 917,989	\$ 721,755	\$ 191,703,635	\$ 181,464,621

Table 2 (above) reflects the change in net position for the Town. The significant changes are discussed below:

- Investment income increased from \$633,426 in fiscal year 2018 to \$1,525,984 in fiscal year 2019 following the 2018 bond sale in which the Town was reimbursed for funds used to support capital projects moving forward until such sale and therefore had more investable cash.
- Operating grants showed a net increase of \$8,051,510. For reporting purposes, the operating grants also include the state contribution to the teachers' retirement costs and state teachers' retirement retiree health insurance. The state pays 100% of the teachers' retirement pension and OPEB costs. The Town must report this as an operating grant and as a cost of education. In 2019 payments made by the state teachers' retirement retiree health insurance increased \$7,324,846. Other grants, such as education cost sharing and town aid road which had conservatively not been included in the original budget was received in the amount of \$380,314 and \$331,951.

Town of New Canaan, Connecticut Management's Discussion and Analysis (continued)

- Capital grants decreased \$4,303,948 from fiscal year 2018. This is primarily due to the completion of construction projects including the Jelliff Road Bridge (\$1,762,336 less than fiscal year 2018) and Saxe School Construction (\$2,716,133 less than fiscal year 2018).
- Board of Education expenses totaled \$123,282,647, an increase of \$8,866,887 or 7.75% compared to \$114,415,760 in fiscal 2018. This change is largely the result of an increase in-state contributions for teachers' retiree health insurance of \$7,324,846, which represents 6.4% of the 7.75% noted above, as well as contractual increases for salaries and additional funding requirements for projects to maintain facilities, tuition for special needs students placed in out-of-district facilities and to replace equipment.
- Public Works expenses increased by \$1,748,148 due to increases in the operating budget and depreciation expense

Financial Analysis of the Town's Funds

Governmental Funds

This year showed a decrease of \$744,742 in fund balance on a modified accrual basis in the governmental funds, as presented in Exhibit D. The total fund balance for governmental funds decreased to \$49,824,249 from \$50,568,991 the prior year. See Exhibits C and D in the Financial Statements.

The **General Fund** balance increased by \$1,849,338 over the previous year. The unassigned fund balance of \$28,069,597 is 18.8% of the budgetary expenditures and transfers out. The Government Finance Officers Association ("GFOA"), which develops best practices for governments, recommends a minimum fund balance of 16.6% of the budgetary expenditures for unassigned fund balance. This would provide two months of working capital. Due to the uncertainty around the financial health of the State of Connecticut there is a growing concern about the stability of grant funding. As a result the Town will seek to maximize the fund balance as a hedge against possible future state funding directives that could negatively affect our unassigned fund balance.

The **Bridge Replacement Fund** was a major fund originated to address six New Canaan bridge projects. The appropriated costs were to be funded by \$3,725,000 in bonds, and by federal grants. The last of the six bridges (Jelliff Mill Road) was structurally completed in 2019. The last three bridges were 80% federally funded and 20% funded with bonded debt. The first three bridges were 100% funded with bonded debt.

Discussion of some of the other governmental funds that are not considered major funds. These funds are shown in Schedules 3 and 4 after the notes to the financial statements:

- The **Special Bonding Fund's** fund balance of \$3,873,526 consists of bond premiums, excess project appropriations, and a settlement on the high school renovation project. \$3,000,000 of these funds were used to address bondable but unissued projects in fiscal year 2020 so that less bonding needs to occur to fully support project expenditures. An example of an outstanding school construction project is the School Energy Efficiency Project wherein \$252,097 needs to be allocated against project expenditures to close out the project. In fiscal year 2019, \$286,082 was reimbursed to the State for identified ineligible expenditures for the High School Renovation Project which was the subject of a state audit this fiscal year.

Town of New Canaan, Connecticut
Management's Discussion and Analysis (continued)

- The New Canaan Public Schools spent \$1,209,441 for **State and Federal Educational Grants** programs, an increase of \$131,919 from 2018. In accordance with Connecticut State Statute 10-76g, the District accessed \$165,777 of the \$1,082,909 grant for Excess Cost associated with students with special needs to partially fund the increased need for out-of-district tuition of \$590,141. The District also spent \$59,726 in carryover funds from fiscal year 2018 for the two-year Federal grant, Individuals with Disabilities Educational Act as well as \$745,940 in the current year grant.
- The excess of revenues over expenditures in 2019 for the **School Lunch Fund** was \$256,586 and proceeds of \$500,000 from an insurance claim increased the fund balance to \$1,336,867.
- The **School Donations Fund**, was established in 2015 to record all donations received by the School District. Donations in the amount of \$222,288 were received in 2019. This fund does not include donations received by certain volunteer organizations affiliated with the School community, but not incorporated into the operations of the Board of Education.
- The **South School Improvement Fund**, with funding approval of \$2,600,000, started construction in 2015 and completed in 2017. This project included two phases. The first phase included demolition of existing windows and doors, and abatement of hazardous materials. The second phase included the installation of new windows and doors. The project is subject to audit by the state before it can be formally closed. Until the state audit is complete and the final costs, as well as final grant amounts, are known bonding will not be completed. As a result, that fund shows a (\$41,509) fund balance.
- The **Saxe School Project Fund**, with funding approval of \$18,600,000 commenced the planning phase in 2016. This project went into construction in 2017 and was completed under budget in 2019. However, the fund has a deficit fund balance of \$411,732 because the amount of the final state grant and the remaining financing for the project are pending.

**Town of New Canaan, Connecticut
Management's Discussion and Analysis (continued)**

General Fund Budgetary Highlights

Below is a summarized view of the final budget and actual results for the General Fund:

**Table 3
General Fund - Budget Summary**

	Final Budget	Actual	Variance
Revenues			
Property Taxes	\$140,020,729	\$141,177,552	\$ 1,156,823
Taxes-Other Than Levy	650,000	525,852	(124,148)
Intergovernmental	1,110,466	1,931,663	821,197
Fees and Charges for Services	3,181,503	2,740,946	(440,557)
Licenses and Permits	1,124,660	1,167,875	43,215
Fines and Forfeitures	376,000	359,252	(16,748)
Use of Money and Property	1,288,520	1,415,212	126,692
Reimbursements and Refunds	167,301	376,712	209,411
Investment Income	500,000	1,486,008	986,008
Other Financing Sources	3,209,070	258,643	(2,950,427)
Total Revenues and Other Financing Sources	151,628,249	151,439,715	(188,534)
Expenditures			
General Government	13,042,930	12,510,277	532,653
Public Safety and Protection	12,316,154	11,850,623	465,531
Public Works	9,082,844	8,821,325	261,519
Human Services	658,701	557,923	100,778
Recreation	2,029,176	1,784,158	245,018
Board of Education	89,763,487	89,763,487	-
Library	2,274,886	2,274,886	-
Other Agencies	619,680	599,217	20,463
Human Service Agencies	140,000	134,500	5,500
Contingency	194,000	-	194,000
Debt Service	18,570,030	18,114,871	455,159
Other Financing Uses	2,936,361	2,936,361	-
Total Expenditures and Other Financing Uses	151,628,249	149,347,628	2,280,621
Increase (Decrease) in Budgetary Fund Balance	\$ -	\$ 2,092,087	\$ 2,092,087

**Town of New Canaan, Connecticut
Management's Discussion and Analysis (continued)**

Significant variances are summarized as follows:

- Other Financing Sources included a \$2,500,000 contribution from the general fund balance to reduce the fiscal year 2019 budget for the mil rate calculation and an additional \$646,240 to fund various solar energy conversions on Town Buildings. \$42,830 of fund balance was also used for fiscal year 2018 encumbrances rolled into fiscal year 2019.
- Strong tax collections, intergovernmental revenue and investment income resulted in overall revenues exceeding budget by \$2,761,893. Tax collections exceeded budget by \$1,156,823. The actual tax collections received were 99.5% of the total tax levy, similar to the prior year while the budget assumed 98.5% of the total tax levy would be collected.
- The Town Council approves the Board of Education annual operating budget, which totaled \$89,763,487. The Board of Education has the authority and responsibility to allocate this appropriation to the various expenditure classifications within the operating budget based on clearly articulated programs and related needs. During the year, changes between expenditure classifications occur based on shifting needs and other changes to programs or processes. When this occurs, the Board of Education authorizes transfers between expenditure classifications at its monthly meetings.

A summary of the School District's budget and actual activity is as follows:

	Original Budget	Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget*
Board of Education					
Salaries and Wages	\$ 58,577,431	\$ (337,192)	\$ 58,240,239	\$ 58,240,239	\$ -
Employee Benefits	14,741,399	(144,536)	14,596,863	14,596,863	-
Contracted Services	2,306,207	(317,589)	1,988,618	1,988,618	-
Property Services	4,676,241	605,061	5,281,302	5,281,302	-
Purchased Services	8,015,452	506,439	8,521,891	8,521,891	-
Supplies	1,382,809	(105,273)	1,277,536	1,277,536	-
Equipment	255,574	39,866	295,440	295,440	-
Other	199,725	(29,319)	170,406	170,406	-
Offsets & Outside Support	(391,351)	(217,457)	(608,808)	(608,808)	-
Totals	<u>\$ 89,763,487</u>	<u>\$ -</u>	<u>\$ 89,763,487</u>	<u>\$ 89,763,487</u>	<u>\$ -</u>

*See discussion below

The discussion below of the differences between the budget and actual expenditures on a budgetary basis reflect the most significant of the changes:

- The budget appropriation for purchased services increased by \$506,439, from \$8,015,452 to \$8,521,891. The out-of-district tuition account for students with special needs exceeded the original budget by \$590,141. However, the District reallocated available appropriation balances from other line items in the budget, which partially offset this need. The excess cost grant offset the remaining funding requirement. As a result, no variances from budget remain in the above table.

Town of New Canaan, Connecticut
Management's Discussion and Analysis (continued)

- The District's budget appropriation for salaries decreased by \$337,192 from \$58,577,431 to \$58,240,239. The district uses a position control program to forecast the fixed line items within the salary classification of accounts, and enrollment projections are the basis for the staffing model for classroom teachers. Variable line items, such as overtime, substitutes, instructional support and temporary help are less predictable. In addition, there is a budgetary impact from staff turnover, teachers who earn additional degrees and advance on the salary schedule, and salary changes that have yet to be decided. The District budgets for these expenditures on historical information and known needs or changes for the upcoming fiscal year. As a result, it is common to have shifts between line items within the salary account. The most significant savings in FY 2019 came from the certified staff salary accounts where the cumulative budget savings for staff on medical leaves-of-absence exceeded \$87,400, and staffing was 7.0 FTEs lower than the budget because of a shift in enrollment and a reorganization of library media and technology services.
- The budget appropriation for employee benefits decreased by \$144,536, from \$14,741,399 to \$14,596,863. A reduction in claims experience for workers' compensation decreased the cost of insurance premiums by \$71,812 or 12%. There was a decrease in actual payroll taxes of \$44,648 when compared to the budget, which is a function of the salary expenditures. In addition, the funding needs for tuition reimbursement and supplemental payments for retiring staff were less than the budget by \$16,442 and \$12,500 respectively.
- The budget appropriation for contracted services decreased by \$317,589 from \$2,306,207 to \$1,988,618. The district considers historical expenditures and planned changes to programs when developing the budget for the line items within the contracted services account. Several accounts required less funding than anticipated in the budget. For example, there was a reduction of \$163,326 in the cost of services for occupational and physical therapy, and speech and language intervention for our students with special needs, which was the result of lower than anticipated service requirements and by maximizing the use of in-house staff. The district also saved an additional \$59,126 by insourcing the document reproduction services; and underspending the budget allocation of \$225,000 for Interns by \$73,900, which occurred at the secondary level because of the limited availability of candidates.
- The budget appropriation for property services increased by \$605,061, from \$4,676,241 to \$5,281,302. The increased need for funding in this expenditure classification was due to higher than average unanticipated repairs, special maintenance projects and utility costs. The district is steward to approximately 1,000,000 square feet of space, which includes the five schools and central office. While the district has an extensive preventative maintenance program, systems fail during the school year without notice that require immediate repair.
- The budget appropriation for supplies decreased by \$105,273, from \$1,382,809 to \$1,277,536, whereas for equipment there was an increase of \$39,866 from \$255,574 to \$295,440, which enabled the district to refresh equipment at Saxe Middle School.
- The budget appropriation for other objects decreased by \$29,319, from \$199,725 to \$170,406. The district reduced costs in the dues and fees and other miscellaneous expense accounts by \$12,272 and \$9,705 respectively.
- The district received an additional \$217,458 in budget offsets and outside support from \$391,350 to \$608,807. In accordance with Connecticut State Statute 10-76g, the district accessed \$165,777 of the \$1,082,909 grant for Excess Cost associated with students with special needs to partially fund the increased need in out-of-district tuition of \$590,141. The district also received additional support from the sports booster clubs and exceeded the budget for gate receipts at athletic events.

**Town of New Canaan, Connecticut
Management's Discussion and Analysis (continued)**

	Actual Budgetary Basis		Variance with Prior Year
	Prior Year	Current Year	
Board of Education			
Salaries and Wages	\$ 56,559,832	\$ 58,240,239	\$ 1,680,407
Employee Benefits	13,934,049	14,596,863	662,814
Contracted Services	2,126,538	1,988,618	(137,920)
Property Services	4,762,834	5,281,302	518,468
Purchased Services	8,100,804	8,521,891	421,087
Supplies	1,245,172	1,277,536	32,364
Equipment	503,046	295,440	(207,606)
Other	177,985	170,406	(7,579)
Offsets & Outside Support	(289,862)	(608,808)	(318,946)
Totals	<u>\$ 87,120,398</u>	<u>\$ 89,763,487</u>	<u>\$ 2,643,089</u>

The Board of Education's expenditures increased by \$2,643,089 (3.0%) to \$89,763,487. The discussion below of the variances between fiscal years reflect the most significant of the changes:

- Salaries & wages increased by \$1,680,407. The New Canaan Public Schools employs over 900 staff. The list of employees includes certified and non-certified staff, substitutes, tutors, coaches and system-wide employees. The annual salary increase in 2019 for staff was approximately \$1,590,000 (2.8%). The increase for other salary adjustments for turnover savings, degree changes and staff returning from leaves of absences was approximately \$89,600.
- Employee benefits increased by \$662,814. The annual deposit into the Internal Services Fund for Employee Benefits by \$760,383. The district analyzes projected claims and related expenses, offsets from other sources of revenue (such as employee cost share), and existing fund balance available to mitigate projected increased costs in order to determine the funding necessary to pay employee benefits. In addition, there were changes in other line items within this object. For example, payroll taxes increased by \$84,328, a function of paid wages and retirement supplements increased by \$39,000. Conversely, unemployment decreased by \$21,944 and workers' compensation premiums decreased by \$205,508, which is the result of lower claims experience.
- Contracted services expenditures decreased by \$137,920. There was a decrease of \$128,607 in outsourced services, \$72,427 in occupational and physical therapy, and speech and language intervention primarily related to the reduced number of students with special needs for these services, and \$38,085 in staff training, which a grant funded for FY 2019. The district needed additional funding for legal fees of \$80,049 related to several non-salary contract reviews, and there were minor increases with the remaining 12 line items within the contracted services object.
- Property services increased by \$518,468. The District expended \$446,614 on 14 maintenance projects in 2019, including approximately \$226,000 for the retrofitting of the boiler rooms to accept natural gas. This was an increase in cost; but will not reoccur annually. Energy savings of approximately \$198,000 will offset this cost, which was achieved through conservation measures and a decrease in the per gallon cost for heating fuel.

**Town of New Canaan, Connecticut
Management's Discussion and Analysis (continued)**

- Purchased services increased by \$421,087 largely due to an increase of \$263,886 for out-of-district tuition paid by the school district for students with special needs, and the contractual increase of \$100,477 in the district's transportation contract.
- The primary reason for the increase in the supplies of \$32,364 was due to an increase in instructional supplies of \$31,898. There was a reduction in one-time expenditures for equipment of \$207,606 and other expenditures of \$7,579, which is needs based.
- Offset & Outside Support increased by \$318,946. In accordance with Connecticut State Statute 10-76g, the district accessed \$165,777 of the \$1,082,909 grant for Excess Cost associated with students with special needs to partially fund the increased need in out-of-district tuition. The district also received additional support from the sports booster clubs and additional gate receipts at athletic events from hosting the Turkey Bowl football game.

Proprietary Funds

The proprietary fund activity is shown in Exhibits F through H. These funds include enterprise funds and internal service funds. The most significant of these is the internal service funds for self-insurance. (See Schedule 8 – 10).

The Town's Internal Service Fund ended the year with a net position of \$637,127. The fund had \$5,944,259 in revenues and \$6,768,770 in operating expenses creating a change in net position of (\$824,511) which reduced the beginning net position of \$1,461,638. Current year contributions from active employees toward their insurance totaled \$712,859 and retirees contributed \$128,462. Expenses for active claims during the period were \$5,798,186 for active employees and retirees.

The Board of Education's Internal Service Fund ended the year with a net position of \$3,347,343. The fund had \$14,770,044 in revenues and \$14,498,535 in operating expenses creating a change in net position of \$271,509 to add to their beginning net position of \$3,075,834. In total, the Health Benefits Internal Service Funds have a net unrestricted position totaling \$3,984,470.

Capital Assets and Long-Term Liabilities

Capital Assets

At the end of the year, the Town had an investment of \$266,917,766 in capital assets used in governmental activities and \$1,443,869 for business-type activities. This amount represents a net increase (including additions and deductions) of 1.2% in capital assets or a total of \$3,187,371 from last year. The Town reported \$71,304,044 in land and \$84,809 in construction-in-progress leading to capital assets not subject to depreciation of \$71,388,853. Total depreciation expense was \$10,790,078 for governmental activities and \$39,388 for business-type activities.

**Town of New Canaan, Connecticut
Management's Discussion and Analysis (continued)**

**Capital Assets - Net
June 30, 2019 and 2018**

	Governmental Activities		Business-Type Activities		Totals	
	2019	2018	2019	2018	2019	2018
Land	\$ 71,304,044	\$ 71,304,044	\$ -	\$ -	\$ 71,304,044	\$ 71,304,044
Construction in progress	84,809	5,303,454	-	-	84,809	5,303,454
Land improvements	12,061,985	5,993,223	42,883	45,145.00	12,104,868	6,038,368
Buildings and improvements	125,230,486	128,382,915	1,393,304	1,430,430	126,623,790	129,813,345
Machinery and equipment	12,010,424	9,496,076	7,682	7,682	12,018,106	9,503,758
Vehicles	3,695,101	3,759,873	-	-	3,695,101	3,759,873
Infrastructure	42,530,917	39,451,422	-	-	42,530,917	39,451,422
Total	\$ 266,917,766	\$ 263,691,007	\$ 1,443,869	\$ 1,483,257	\$ 268,361,635	\$ 265,174,264

Additions to capital assets included:

- *Land Improvements* additions totaled \$6,803,239, the largest addition being the \$5,154,919 NCHS Track/Field Rebuild. Other additions include \$788,316 Gamble & Melick Fields Reconstruction and \$329,731 Water Tower Reconstruction.
- *Buildings and Improvements* additions totaled \$2,265,697 and included Saxe School construction and improvements of \$964,324, West School Renovations of \$372,887 and \$204,422 for the Board of Education Efficiency Demand Control Ventilation System.
- *Machinery and Equipment* additions totaling \$4,168,455 included the Board of Education's \$600,000 IT equipment, \$292,600 for mechanical fine bar screen replacement at the Wastewater Treatment Plant and various other machinery and equipment.
- *Vehicles* added \$686,672 to the capital assets and included \$154,792 for a DPW Truck, \$140,963 for three new SPED transport vehicles and \$92,360 for three new police vehicles.
- *Infrastructure* additions totaling \$5,333,889 included many infrastructure improvements such as the \$2,690,961 in various road repairs, \$207,047 for crack sealing and traffic control, \$632,482 for the Treatment Plant Road Bridge and \$266,109 for Jelliff Road Bridge repairs.

More detailed information about the Town's capital assets is presented in Capital Asset Exhibit K Note III D.

**Town of New Canaan, Connecticut
Management’s Discussion and Analysis (continued)**

Long-Term Liabilities

**Outstanding Debt
General Obligation Bonds and Notes
June 30, 2019 and 2018**

	Governmental Activities		Business-Type Activities		Totals	
	2019	2018	2019	2018	2019	2018
General obligation bonds and related liabilities	\$ 114,585,568	\$ 124,314,348	\$ 635,000	\$ 872,000	\$ 115,220,568	\$ 125,186,348
Notes	1,859,522	1,828,534	-	-	1,859,522	1,828,534
Total	\$ 116,445,090	\$ 126,142,882	\$ 635,000	\$ 872,000	\$ 117,080,090	\$ 127,014,882

At year end, the Town had \$117,080,090 in bonds and notes outstanding. This is a net decrease of \$9,934,792 or 7.8% decrease from last year. The Town’s bond rating continues to carry a ‘Aaa’ rating from Moody’s Investors Service.

While the total government capital assets increased, the Town’s bond/note debt balances decreased by \$9,934,792. This decrease was primarily due to the fall 2018 bond sale which included the refunding of \$40,445,000 bonds yielding a \$2,340,000 reduction, now included in Deferred Inflows. In addition, the Town retired more debt than it brought on resulting in a \$7,594,792 reduction in debt. Long-term debt is discussed in detail in Exhibit K. Note III F.

Other Post-Employment Benefits (OPEB) Liability

The Town has, since inception of the OPEB Trust in April 2010, contributed \$500,000 into the Trust each year. Employee and retiree benefits are not paid out of the Trust but instead are paid on a pay-as-you-go basis. The trust is currently 62.71% funded compared to 45.38% in fiscal year 2018. It has a \$8,370,772 unfunded liability. OPEB had a 6.71% money weighted rate of return net of investment expenses varying from its discount rate used to measure the total OPEB liability of 6.75%. In 2018 the annual rate of return was 7.36%. For additional information on the net OPEB liability please see RSI 5A.

Economic Factors and Next Year’s Budgets

New Canaan

The Town’s high school and elementary schools are ranked first or second compared to all other public schools in the State of Connecticut and the Town’s school district is ranked among the top in the nation. The Town’s median household income is over \$211,875 per the US Bureau of Census American Community Survey of 2017 whereas the state has a median household income of \$93,800. The Town’s unemployment rate is a low 3.2% compared to the state at 4.1%, the median house value is approximately \$1,439,600 and its population grew from 19,912 in 2010 to 20,280 in 2017 based upon the US Bureau of Census 2013-2017 American Community Survey 5 Year Estimates. The Town receives a relatively modest \$2,000,000 in direct state grants each year; however, the state is directly responsible for Teacher’s retirement and other post-employment benefits (“OPEB”) (see Exhibit K Note V to the financial statements). In 2017 the legislature did not act on the Governor’s proposal to shift 33% of the cost of the Teacher’s Retirement Benefit (TRB) payment to municipal governments, however, the Office of Policy and Management’s recommendation for aid to municipalities recommends that New Canaan pay over to the State \$493,041 for the coming fiscal year and \$1,018,176 in fiscal year 2021. Although that recommendation has not been acted upon, the Town continues to monitor state action as the discussion on how to address those fixed costs continues.

Town of New Canaan, Connecticut Management's Discussion and Analysis (continued)

State Impact

Connecticut's biennial budget began in the 2020 fiscal year when the deficit was \$1.5 billion. However, the state has remained positive since March 2019 according to Standard and Poors Ratings Direct dated July 9, 2019. The state has increased budget reserves from a low of 1.2% to a projected 11.6% at the end of fiscal 2019 which is considered strong. However, the state had the second highest fixed costs for debt, pension and other post-employment benefits (OPEB) of all states in 2017. Those high fixed costs restrict budgetary flexibility and impede the resolution of future budget gaps, which would be exacerbated by an increase in interest rates. Those impediments in combination with an aging population and declining total population also contribute to slower economic growth and potentially hampered revenue growth over the long term.

The state's difficult fiscal condition is already having an adverse effect on businesses and individuals, particularly in Fairfield County and in New Canaan. The uncertainties surrounding how fiscal issues will be resolved, including the discussion of municipalities with healthy fund balances sharing in the burden with less stable towns; diminished state support for wealthy towns; towns potentially sharing the burden with the state on teachers' pension obligations and their OPEB costs; rising state taxes, and the general business climate have already caused major businesses to leave the state and have caused the population, particularly of high net worth individuals, to decrease.

The State of Connecticut Comptroller in his monthly letter to the Governor dated November 1, 2019, indicated that the Office of Policy and Management is anticipating a fiscal 2020 surplus of \$79.1 million. The Department of Labor indicated that September showed the third month of job growth to 1,699,200 jobs in the State with an unusually high increase in the education sector. Its unemployment rate was 3.6 percent while the US was 3.5 percent. Connecticut is making corrections, however it still lags behind in making overall corrections from the 2008-2009 default of the market with spending exceeding the budget plan by \$62 million.

According to 2018 US Census Bureau Data, Connecticut ranks 10th in median family income among the continental United States (not including D.C. or Alaska) at \$72,812. The U.S. median household income is \$63,179 (in 2018 dollars). New Canaan provides the sixth largest personal income tax payment to the state at \$190,137,495 and the third largest income tax per capita at \$23,304 behind Greenwich and Darien. The average annual local tax bill in New Canaan is \$19,191. All of these factors underscore the need to hold the line on expenses going forward.

As the state's financial condition is integral to the ultimate financial health of every town in Connecticut, there are warning signs that, if not successfully addressed, the state's current fiscal weakness will have significant implications for the residents of New Canaan.

Other Risks and Uncertainties

Every five (5) years, the Town is required to appraise all real estate, and once within a 10-year span, full revaluations of all real estate must occur. The total of these new revaluations, referred to as the "grand list", will be used to determine the new mill rate. The mill rate is calculated by dividing the Town budget by the grand list. This new mill rate when multiplied by the new appraised values determines the real estate tax levy for each home or business. Real estate that moves on or off the grand list also impacts the mill rate. The last revaluation was October 1, 2018 which was used to determine the fiscal year 2019-2020 mill rate.

Recent real estate market conditions indicate that, in general, real estate values in the area have decreased by an average of 9.8%, especially for the higher value real estate. If this trend continues and the Town budget does not decrease, the redistribution of the Town's tax burden will continue to unfavorably impact taxes on middle and lower value real estate whose assessed value increased up to 24% with the October 1, 2018 revaluation.

**Town of New Canaan, Connecticut
Management's Discussion and Analysis (continued)**

Federal Impacts

The coupling of the revaluation with the impact of the State and Local Tax (SALT) deduction for federal taxes, which limits the ability to deduct only \$10,000 in state and local taxes has had implications for all residents of New Canaan.

Potential Effects on the Town of New Canaan and Future Budget Considerations

The Town cannot solve the state's finance issues or the result of the SALT deduction but it can and must be proactive and prepare the Town residents for potential impacts including the continued loss of state revenue and services, uncertain real estate values, and redistribution of the tax burden, and out of pocket costs among others. To this end, the Town is addressing the following measures:

Preparing multi-year projections of revenues and expenditures to plan for changes in revenues and potential additional costs that might be required to be assumed by the Town. These revenue projections could consider the potential for state funding to be significantly reduced or eliminated and the potential redistribution of the local tax burden among property owners if the corporate base erodes and average house values decrease. The budgets need to build in the implications of capital expenditure plans on the short-term and long-term mill rates. These projections can help the Town adapt in as controlled a manner as possible.

- The Town has begun to review increases in costs and to prepare annual budget guidance for operating expenditure limitations above current operating levels.
- Reviewing its policies for fund balance levels in the various funds and ensuring that current charges for service are in keeping with costs and in line with similar charges in surrounding municipalities.
- Taking a 5-year view of potential capital outlays for planning purposes given the Town's focus on debt limitation.
- All of these factors will be considered for subsequent year's budgets and will continue to be at the forefront of the Town's agenda.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the Town's finances and to show the Town's accountability to its stakeholders. Requests for additional financial information should be addressed to the Finance Department of New Canaan, 77 Main Street, New Canaan, CT 06840, (203) 594-3024.

Basic Financial Statements

Town of New Canaan, Connecticut

Statement of Net Position
June 30, 2019

<u>Assets</u>		<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Current assets:				
Cash	Note III A	\$ 27,489,257	\$ 516,996	\$ 28,006,253
Investments	Note III A	33,040,403	-	33,040,403
Receivables:	Note III B			
Property taxes		692,427	-	692,427
Intergovernmental		241,884	-	241,884
Accounts		646,725	-	646,725
Other		535,543	-	535,543
		<u>62,646,239</u>	<u>516,996</u>	<u>63,163,235</u>
Total current assets				
Noncurrent assets:				
Restricted assets:				
Temporarily restricted:				
Cash	Note III A	314,276	-	314,276
Investments	Note III A	295	-	295
Permanently restricted:				
Investments	Note III A	56,500	-	56,500
		<u>371,071</u>	<u>-</u>	<u>371,071</u>
Total restricted assets				
Receivables (net):				
Property taxes	Note V A	677,085	-	677,085
Net pension asset		9,755,172	-	9,755,172
Capital assets (net of accumulated depreciation):	Note III D			
Land		71,304,044	-	71,304,044
Construction in progress		84,809	-	84,809
Land improvements		12,061,985	42,883	12,104,868
Buildings and improvements		125,230,486	1,393,304	126,623,790
Machinery and equipment		12,010,424	7,682	12,018,106
Vehicles		3,695,101	-	3,695,101
Infrastructure		42,530,917	-	42,530,917
		<u>266,917,766</u>	<u>1,443,869</u>	<u>268,361,635</u>
Total capital assets (net of accumulated depreciation)				
Total noncurrent assets		<u>277,721,094</u>	<u>1,443,869</u>	<u>279,164,963</u>
Total assets		<u>340,367,333</u>	<u>1,960,865</u>	<u>342,328,198</u>
<u>Deferred Outflows of Resources</u>				
Pension related	Note V A	378,979	-	378,979
OPEB related	Note V D	344,743	-	344,743
		<u>723,722</u>	<u>-</u>	<u>723,722</u>
Total deferred outflows of resources				

(Continued)

The notes to financial statements are an integral part of this statement.

Town of New Canaan, Connecticut

Statement of Net Position
June 30, 2019

<u>Liabilities</u>	Governmental Activities	Business-type Activities	Total
Current liabilities:			
Accounts payable	\$ 5,008,933	\$ 22,519	\$ 5,031,452
Accrued payroll and related liabilities	1,070,682	15,748	1,086,430
Retainage payable	134,249	-	134,249
Accrued interest payable	993,018	7,849	1,000,867
Unearned revenue	265,303	323,760	589,063
Bonds and notes payable	Note III F 12,753,768	211,000	12,964,768
Compensated absences	Note III F 375,819	-	375,819
Heart and hypertension	Note IV A 102,697	-	102,697
Post closure landfill costs	Note III F 25,000	-	25,000
Claims payable	Note IV A 1,538,198	-	1,538,198
Other	185,365	-	185,365
Total current liabilities	22,453,032	580,876	23,033,908
Noncurrent liabilities:			
Performance bonds	314,276	-	314,276
Bonds and notes payable and related liabilities	Note III F 103,691,322	424,000	104,115,322
Compensated absences	Note III F 2,129,638	-	2,129,638
Heart and hypertension	Note III F 924,277	-	924,277
Post closure landfill costs	Note III F 225,000	-	225,000
OPEB liability	Note V D 8,370,772	-	8,370,772
Total noncurrent liabilities	115,655,285	424,000	116,079,285
Total liabilities	138,108,317	1,004,876	139,113,193
Deferred Inflows of Resources			
Deferred charge on refunding	2,231,919	38,000	2,269,919
Pension related	Note V A 2,918,619	-	2,918,619
OPEB related	Note V D 7,046,554	-	7,046,554
Total deferred inflows of resources	12,197,092	38,000	12,235,092
Net Position			
Net investment in capital assets	148,240,757	770,869	149,011,626
Restricted for:	Note III G		
Nonexpendable endowments	56,500	-	56,500
Expendable endowments	295	-	295
General government	227,766	-	227,766
Public safety	141,622	-	141,622
Public works	410,045	-	410,045
Sewer	2,997,646	-	2,997,646
Health and welfare	248,333	-	248,333
Culture and recreation	161,907	-	161,907
Education	1,463,526	-	1,463,526
Parking lot repairs and maintenance	954,760	-	954,760
Unrestricted	35,882,489	147,120	36,029,609
Total net position	\$ 190,785,646	\$ 917,989	\$ 191,703,635

(Concluded)

The notes to financial statements are an integral part of this statement.

Town of New Canaan, Connecticut

Statement of Activities
For the Year Ended June 30, 2019

Functions/Programs	Expenses	Program Revenues			Net Revenues (Expenses) and Change in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ 13,772,904	\$ 4,838,142	\$ 331,773	\$ 16,161	\$ (8,586,828)	\$ -	\$ (8,586,828)
Public safety and protection	14,912,757	1,435,435	994	-	(13,476,328)	-	(13,476,328)
Public works	16,122,633	1,142,886	679,766	299,865	(14,000,116)	-	(14,000,116)
Social services	1,285,697	544,938	20,076	-	(720,683)	-	(720,683)
Park and recreation	2,439,125	936,192	132,635	162,619	(1,207,679)	-	(1,207,679)
Education	123,282,647	3,189,245	27,094,465	9,888	(92,989,049)	-	(92,989,049)
Interest	4,044,535	-	-	-	(4,044,535)	-	(4,044,535)
35 Total governmental activities	<u>175,860,298</u>	<u>12,086,838</u>	<u>28,259,709</u>	<u>488,533</u>	<u>(135,025,218)</u>	<u>-</u>	<u>(135,025,218)</u>
Business-type activities:							
Waveny pool	<u>377,329</u>	<u>535,567</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>158,238</u>	<u>158,238</u>
Total	<u>\$ 176,237,627</u>	<u>\$12,622,405</u>	<u>\$ 28,259,709</u>	<u>\$ 488,533</u>	<u>(135,025,218)</u>	<u>158,238</u>	<u>(134,866,980)</u>
General revenues:							
Property taxes					143,580,010	-	143,580,010
Investment income					<u>1,525,984</u>	<u>-</u>	<u>1,525,984</u>
Total general revenues					<u>145,105,994</u>	<u>-</u>	<u>145,105,994</u>
Transfers in (transfers out)					<u>(37,996)</u>	<u>37,996</u>	<u>-</u>
Change in net position					10,042,780	196,234	10,239,014
Net position - July 1, 2018					<u>180,742,866</u>	<u>721,755</u>	<u>181,464,621</u>
Net position - June 30, 2019					<u>\$ 190,785,646</u>	<u>\$ 917,989</u>	<u>\$ 191,703,635</u>

The notes to financial statements are an integral part of this statement.

Town of New Canaan, Connecticut

Balance Sheet
Governmental Funds
June 30, 2019

		General Fund	Bridge Replacement Fund	Other Governmental Funds	Total Governmental Funds
<u>Assets</u>					
Cash	Note III A	\$ 4,514,181	\$ -	\$ 18,399,597	\$ 22,913,778
Restricted cash	Note III A	314,276	-	-	314,276
Investments	Note III A	31,199,943	-	1,897,255	33,097,198
Receivables (net):	Note III B				
Property taxes		1,359,394	-	10,118	1,369,512
Intergovernmental		-	98,063	143,821	241,884
Accounts		210,866	-	319,725	530,591
Due from other funds	Note III C	1,650,162	-	813,256	2,463,418
Other		64,540	-	36,984	101,524
Total assets		<u>\$ 39,313,362</u>	<u>\$ 98,063</u>	<u>\$ 21,620,756</u>	<u>\$ 61,032,181</u>
<u>Liabilities</u>					
Liabilities:					
Accounts payable		\$ 2,716,634	\$ 250,000	\$ 2,021,014	\$ 4,987,648
Accrued payroll and related liabilities		1,003,663	-	67,019	1,070,682
Retainage payable		-	65,328	68,921	134,249
Due to other funds	Note III C	437,481	59,562	2,384,696	2,881,739
Unearned revenue		9,250	-	256,053	265,303
Performance bonds		314,276	-	-	314,276
Other		106,837	-	78,528	185,365
Total liabilities		<u>4,588,141</u>	<u>374,890</u>	<u>4,876,231</u>	<u>9,839,262</u>
<u>Deferred Inflows of Resources</u>					
Unavailable revenue:					
Property taxes		1,359,394	-	9,276	1,368,670
<u>Fund Balances</u> Note III G					
Nonspendable		-	-	56,500	56,500
Restricted		-	-	6,605,900	6,605,900
Committed		-	-	7,891,531	7,891,531
Assigned		5,296,230	-	2,896,825	8,193,055
Unassigned		28,069,597	(276,827)	(715,507)	27,077,263
Total fund balances		<u>33,365,827</u>	<u>(276,827)</u>	<u>16,735,249</u>	<u>49,824,249</u>
Total liabilities, deferred inflows of resources and fund balances		<u>\$ 39,313,362</u>	<u>\$ 98,063</u>	<u>\$ 21,620,756</u>	<u>\$ 61,032,181</u>

(Continued)

The notes to financial statements are an integral part of this statement.

Town of New Canaan, Connecticut
Reconciliation of Fund Balance
to Net Position of Governmental Activities
June 30, 2019

Amounts reported for governmental activities in the statement of net position (Exhibit A) are different from the governmental fund balance sheet due to:

Total fund balance (Exhibit C, Page 1 of 2)	\$ 49,824,249
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:	
Beginning capital assets	263,691,007
Capital assets additions (net of construction in progress)	14,039,307
Depreciation expense	(10,790,078)
Disposal of capital assets	(22,470)
Other long-term assets are not available resources and, therefore, are not reported in the funds:	
Net pension asset	9,755,172
Other long-term assets and deferred outflows of resources are not available to pay for current period expenditures and, therefore, are unavailable in the funds:	
Property taxes and sewer user fees accrual	1,368,670
Deferred outflows of resources related to pensions	378,979
Deferred outflows of resources related to OPEB	344,743
Internal service funds are used by management to charge the cost of medical insurance premiums to individual departments:	
The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position	3,984,470
Some liabilities and deferred inflows of resources, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:	
Bonds and notes payable	(113,909,522)
Bond premium	(2,535,568)
Compensated absences	(2,505,457)
Heart and hypertension	(1,026,974)
Post closure landfill costs	(250,000)
OPEB liability	(8,370,772)
Accrued interest payable	(993,018)
Deferred charge on refunding	(2,231,919)
Deferred inflows of resources related to pensions	(2,918,619)
Deferred inflows of resources related to OPEB	(7,046,554)
Net position of governmental activities (Exhibit A)	<u>\$ 190,785,646</u>

(Concluded)

The notes to financial statements are an integral part of this statement.

Town of New Canaan, Connecticut

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For The Year Ended June 30, 2019**

	<u>General Fund</u>	<u>Bridge Replacement Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:				
Property taxes	\$141,703,404	\$ -	\$ 1,457,934	\$143,161,338
Intergovernmental	25,857,879	265,765	1,679,183	27,802,827
Charges for services	6,084,052	-	5,502,786	11,586,838
Investment income	1,486,008	-	39,976	1,525,984
Contributions	-	-	945,415	945,415
Total revenues	<u>175,131,343</u>	<u>265,765</u>	<u>9,625,294</u>	<u>185,022,402</u>
Expenditures:				
Current:				
General government	12,510,277	-	402,639	12,912,916
Public safety and protection	11,870,822	-	1,068,053	12,938,875
Public works	8,821,325	-	1,382,994	10,204,319
Social services	557,923	-	526,014	1,083,937
Parks and recreation	1,784,158	-	90,613	1,874,771
Education	113,936,308	-	4,355,741	118,292,049
Payments to other agencies	3,008,603	-	-	3,008,603
Debt service	18,114,871	-	14,208,351	32,323,222
Capital outlay	-	582,206	14,741,707	15,323,913
Total expenditures	<u>170,604,287</u>	<u>582,206</u>	<u>36,776,112</u>	<u>207,962,605</u>
Excess (deficiency) of revenues over expenditures	<u>4,527,056</u>	<u>(316,441)</u>	<u>(27,150,818)</u>	<u>(22,940,203)</u>
Other financing sources (uses):				
Issuance of debt	-	-	7,269,967	7,269,967
Issuance of refunding bonds	-	-	37,470,000	37,470,000
Payment to refunded bond escrow agent	-	-	(26,574,992)	(26,574,992)
Bond premium	-	-	3,546,020	3,546,020
Sale of capital assets	22,462	-	-	22,462
Insurance settlement	-	-	500,000	500,000
Transfers in	236,181	-	3,092,939	3,329,120
Transfers out	(2,936,361)	-	(430,755)	(3,367,116)
Net other financing sources (uses)	<u>(2,677,718)</u>	<u>-</u>	<u>24,873,179</u>	<u>22,195,461</u>
Net change in fund balances	1,849,338	(316,441)	(2,277,639)	(744,742)
Fund balances - July 1, 2018	<u>31,516,489</u>	<u>39,614</u>	<u>19,012,888</u>	<u>50,568,991</u>
Fund Balances - June 30, 2019	<u>\$ 33,365,827</u>	<u>\$ (276,827)</u>	<u>\$16,735,249</u>	<u>\$ 49,824,249</u>

The notes to financial statements are an integral part of this statement.

Town of New Canaan, Connecticut

Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to Statement of Activities
For The Year Ended June 30, 2019

Amounts reported for governmental activities in the statement of activities (Exhibit B) are due to:

Net change in fund balances - total governmental funds (Exhibit D)	<u>\$ (744,742)</u>
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	14,039,307
Depreciation expense	<u>(10,790,078)</u>

Total	<u>3,249,229</u>
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The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins and donations) is to increase/decrease net position. In the statement of activities, only the *loss* on the sale of assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold:

Loss on disposal of assets	<u>(22,470)</u>
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds and revenues recognized in the fund financial statements are not recognized in the fund financial statements are not recognized in the statement of activities:

Change in property tax receivable - accrual basis change	<u>494,797</u>
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The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The details of these differences in the treatment of long-term debt and related items are as follows:

Debt issued or incurred:	
Issuance of debt	(44,739,967)
Bond premium	(588,199)
Deferred charge on refunding	(2,302,000)
Principal repayments:	
General obligation bonds and notes	14,639,979
Refunded bonds	<u>39,772,000</u>

Total	<u>6,781,813</u>
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(Continued)

The notes to financial statements are an integral part of this statement.

Town of New Canaan, Connecticut

Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to Statement of Activities
For The Year Ended June 30, 2019

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Amortization of bond premium	\$ 613,979
Landfill closure costs	25,000
Compensated absences	(241,680)
Heart and hypertension	612,842
Pension expense	1,028,148
OPEB expense	6,876,998
Accrued interest payable	(195,925)
Amortization of deferred charges on refunding	(18,196)
Amortization of deferred outflows of resources related to pension	(291,520)
Amortization of deferred outflows of resources related to OPEB	291,297
Amortization of deferred inflows of resources related to pension	(1,273,449)
Amortization of deferred inflows of resources related to OPEB	<u>(6,590,339)</u>
Total	<u>837,155</u>
The net revenue of the activities of the internal service funds is reported with governmental activities	<u>(553,002)</u>
Change in net position of governmental activities (Exhibit B)	<u>\$ 10,042,780</u>
	(Concluded)

The notes to financial statements are an integral part of this statement.

Town of New Canaan, Connecticut

**Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2019**

	<u>Business-type Activities</u>	<u>Governmental Activities</u>
	<u>Enterprise Fund</u>	
	<u>Waveny Pool Fund</u>	<u>Internal Service Funds</u>
Operating revenues:		
Charges for services	<u>\$ 535,567</u>	<u>\$ 20,714,303</u>
Operating expenses:		
Personnel services	194,628	-
Utilities	42,362	-
Repairs and maintenance	27,971	-
Materials and supplies	27,931	-
Contracted services	8,576	-
Classes and programs	5,988	-
Other	295	-
Depreciation	39,388	
Claims incurred	-	18,988,176
Administration	-	<u>2,279,129</u>
Total operating expenses	<u>347,139</u>	<u>21,267,305</u>
Operating income (loss)	<u>188,428</u>	<u>(553,002)</u>
Nonoperating revenues (expenses):		
Interest expense	<u>(30,190)</u>	<u>-</u>
Income (loss) before transfers	<u>158,238</u>	<u>(553,002)</u>
Transfers in	<u>37,996</u>	<u>-</u>
Change in net position	196,234	(553,002)
Total net position - July 1, 2018	<u>721,755</u>	<u>4,537,472</u>
Total net position - June 30, 2019	<u><u>\$ 917,989</u></u>	<u><u>\$ 3,984,470</u></u>

The notes to financial statements are an integral part of this statement.

Town of New Canaan, Connecticut

Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2019

	<u>Business-type Activities</u>	<u>Governmental Activities</u>
	<u>Enterprise Fund</u>	
	<u>Waveny Pool Fund</u>	<u>Internal Service Funds</u>
Cash flows from operating activities:		
Receipts from customers and premiums	\$ 570,947	\$ 21,204,042
Payments to suppliers and employees	(316,770)	-
Payments for benefits and claims	-	(18,870,389)
Payments for administration	-	(2,646,610)
	<u>254,177</u>	<u>(312,957)</u>
Net cash from operating activities		
Cash flows from capital and related financing activities:		
Principal payments	(199,000)	-
Interest payments	(31,734)	-
	<u>(230,734)</u>	<u>-</u>
Net cash from capital and related financing activities		
Cash flows from noncapital financing activities:		
Transfers in	37,996	-
	<u>61,439</u>	<u>(312,957)</u>
Net increase (decrease) in cash		
Cash - July 1, 2018	455,557	4,888,436
Cash - June 30, 2019	<u>\$ 516,996</u>	<u>\$ 4,575,479</u>
Reconciliation of operating income (loss) to net cash from operating activities:		
Operating income (loss)	\$ 188,428	\$ (553,002)
Adjustments to reconcile operating income (loss) to net cash from operating activities:		
Depreciation and amortization	39,388	-
Changes in operating assets and liabilities		
(Increase) decrease in:		
Accounts receivable	-	67,064
Due from other funds	-	422,675
Prepaid expenses	-	(338,241)
Increase (decrease) in:		
Accounts payable	6,395	(29,240)
Accrued payroll and benefits	(15,414)	-
Claims payable	-	117,787
Unearned revenues	35,380	-
	<u>\$ 254,177</u>	<u>\$ (312,957)</u>
Net cash from operating activities		

Non cash

The Town refunded bonds during the year resulting in \$38,000 in deferred charges.

The notes to financial statements are an integral part of this statement.

Town of New Canaan, Connecticut

Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2019

	Pension and OPEB Trust Funds	Custodial Funds
<u>Assets</u>		
Cash	\$ -	\$ 431,158
Investments:		
Mutual funds:		
U.S. equity	67,531,125	605,746
International equity	34,818,743	234,339
Bond	54,655,211	387,476
Total investments	157,005,079	1,227,561
Due from other funds	781	15,880
Total assets	157,005,860	1,674,599
<u>Liabilities</u>		
Accrued payroll	1,461	-
Due to other funds	1,125	-
Total liabilities	2,586	-
<u>Net Position</u>		
Restricted for:		
Pensions	142,928,268	-
OPEB	14,075,006	-
Individuals and organizations	-	1,674,599
Total net position	\$157,003,274	\$ 1,674,599

The notes to financial statements are an integral part of this statement.

Town of New Canaan, Connecticut
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2019

	Pension and OPEB Trust Funds	Custodial Funds
Additions:		
Contributions:		
Employer	\$ 2,909,663	\$ -
Teachers' Retirement System	96,261	-
Plan members	644,884	-
Total contributions	3,650,808	-
Activity fees	-	1,195,213
Investment income (loss):		
Change in fair value of investments	6,254,901	51,321
Interest and dividends	3,795,287	28,574
Total investment income (loss)	10,050,188	79,895
Less investment expenses	103,468	-
Net investment income (loss)	9,946,720	79,895
Total additions	13,597,528	1,275,108
Deductions:		
Benefits	7,480,662	-
Administration	158,314	-
Scholarships awarded	-	26,376
Activities and events	-	1,181,292
Total deductions	7,638,976	1,207,668
Change in net position	5,958,552	67,440
Net position - July 1, 2018	151,044,722	1,607,159
Net position - June 30, 2019	\$ 157,003,274	\$ 1,674,599

The notes to financial statements are an integral part of this statement.

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Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

History and organization

The Town of New Canaan, Connecticut (“Town”) was incorporated as a Town in 1801. The Town operates under a Town Council, Board of Selectmen and Board of Finance form of government. Under this form of government, the Town Council is the legislative body. The administrative branch is led by an elected three-member board of selectmen. The Town provides services as authorized by its charter including public safety (police and fire), public works, social services, park and recreation, education and general administrative services.

Accounting principles generally accepted in the United States of America require that the reporting entity include (1) the primary government; (2) organizations for which the primary government is financially accountable; and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. The Town does not report any component units.

I. Summary of significant accounting policies

A. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and the major individual enterprise funds are reported as separate columns in the fund financial statements.

B. Measurement focus, basis of accounting and financial statement presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

B. Measurement focus, basis of accounting and financial statement presentation (continued)

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. In addition, the Town considers reimbursement grants to be available if they are collected within one year of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

Property taxes, expenditure-type reimbursement grants, certain intergovernmental revenues, transfers and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Town.

The Town reports the following major governmental funds:

The *General Fund* is the Town's primary operating fund. It accounts for all financial resources of the general government, except those funds required to be accounted for in another fund.

The *Bridge Replacement Fund* is a capital projects fund used to account for bridge replacements financed by general obligation bonds and federal grants.

The Town reports the following major proprietary fund:

The *Waveny Pool Fund* is used to account for Waveny pool revenues and related expenses.

Additionally, the Town reports the following fund types:

Special Revenue Funds are used to account for and report the proceeds of specific revenue resources that are restricted or committed to expenditures for specified purposes other than debt.

The Capital Project Funds are used to account for and report resources and expenditures that are restricted, committed or assigned for the acquisition and construction of capital facilities, including those that are financed through special assessments.

The *Internal Service Funds* account for risk financing activities for medical and dental health insurance as allowed by GASB Statement No. 10.

The *Pension Trust Funds* account for the activity of the Town's defined benefit pension plans, which accumulates resources for pension benefit payments to qualified employees.

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

B. Measurement focus, basis of accounting and financial statement presentation (continued)

The Other Post Employment Benefits (“OPEB”) *Trust Funds* account for the activities of the Town’s OPEB Plan, which accumulates resources for OPEB benefit payments to qualified employees.

The *Custodial Fund* accounts for monies held by the Town as custodian for student groups and scholarships.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are other charges between the Town’s sewer and water operations and various other functions of the Town. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the enterprise funds and of the Town’s internal service fund are charges to customers for sales and services. Operating expenses for the enterprise funds and internal service fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

For purposes of measuring the net pension and OPEB asset and liability, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension and OPEB expense, information about the fiduciary net position and additions to/deductions from fiduciary net position of the Town’s pension and OPEB plans, the Connecticut State Teachers’ Retirement System (“TRS”) and the Connecticut Retiree Health Insurance Plan (“RHIP”) have been determined on the same basis as they are reported by the Town of New Canaan Retirement Systems, TRS, and RHIP. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms.

Town of New Canaan, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2019**C. Assets, liabilities, deferred outflows/inflows of resources and net position or equity****1. Deposits and investments****a. Deposits**

The Town considers cash as cash on hand and demand deposits,

For cash flow purposes, the Town's cash consists of cash on hand, demand deposits, money market accounts and short-term investments with original maturities of three months or less from the date of acquisition.

b. Investments

In general, State of Connecticut Statutes allow the Town to invest in obligations of the United States of America or United States government sponsored corporations, in shares or other interests in any custodial arrangement, pool or no-load, open-end management type investment company or investment trust (as defined), in obligations of any State or political subdivision rated within the top two rating categories of any nationally recognized rating service, or in obligations of the State of Connecticut or political subdivision rated within the top three rating categories of any nationally recognized rating service. Investment income is recorded in the fund in which it was earned.

State Treasurers Investment Fund is an investment pool managed by the State of Connecticut Office of the State Treasurer. Investments must be made in instruments authorized by Connecticut General Statutes 3-27c - 3-27e. Investment guidelines are adopted by the State Treasurer. The fair value of the position in the pool is the same as the value of the pool shares.

The Town's pension and OPEB plans have adopted a formal investment policy that defines allowable investments, prohibited investments, prohibited transactions, asset allocation guidelines and diversification guidelines and fixed income and cash equivalent guidelines.

The investment guidelines are as follows:

The Town's pension and OPEB plan investment policy targets investments in equities of 65% and fixed income of 35%.

Reasonable precautions will be taken to avoid excessive investment concentrations to protect the portfolio against unfavorable outcomes within an asset class. Specifically, the following guidelines are in place:

- a) With the exception of fixed income investments explicitly guaranteed by the U.S. Government, no single investment security shall represent more than 5% of total assets.
- b) With the exception of passively managed investment vehicles seeking to match the returns on a broadly diversified market index, no single investment pool or investment company (mutual fund) shall comprise more than 20% of total plan assets.

Town of New Canaan, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2019**C. Assets, liabilities, deferred outflows/inflows of resources and net position or equity
(continued)**

- c) With respect to fixed income investments, the minimum average credit quality of these investments shall be investment grade (Standard & Poor's BBB; Moody's Baa) or higher.

c. Method used to value investments

Investments are reported at fair value except as described below. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

Fair value of investments

The Town measures and records its investments using fair value measurement guidelines established by accounting principles generally accepted in the United States of America (GAAP). These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1:* Quoted prices for identical investments in active markets;
- Level 2:* Quoted prices for identical investments in markets that are not active; and
- Level 3:* Unobservable inputs.

d. Risk policies

Interest rate risk – Interest rate risk is the risk that the government will incur losses in fair value caused by changing interest rates. The Town minimizes interest rate risk by structuring the investment portfolio so that the securities mature to meet cash requirements for ongoing operations, avoiding the need to sell securities on the open market prior to maturity. Generally, the Town does not invest in any long-term investment obligations but has no formal policy.

Credit risk – Credit risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the entity's complete failure. The Town's policy for credit risk is to invest in obligations allowable under the Connecticut general statutes as described previously and pre-qualifying institutions with which the Town may do business.

Concentration of credit risk – Concentration of credit risk is the risk attributed to the magnitude of an entity's investments in a single issuer. The Town follows the limitations specified in the Connecticut General Statutes. Generally, the Town's deposits cannot be 75% or more of the total capital in any one depository.

Custodial credit risk - Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The Town has no formal policy but its practice for custodial credit risk is to invest in obligations allowable under the Connecticut general statutes as described previously and pre-qualifying institutions with which the Town may do business.

Town of New Canaan, Connecticut**Notes to Financial Statements
As of and for the Year Ended June 30, 2019****C. Assets, liabilities, deferred outflows/inflows of resources and net position or equity
(continued)**

Foreign currency risk - Foreign currency risk is the risk that the value of the investment may be affected by changes in the rate of exchange. The Town does not have a formal policy with respect the foreign currency risk.

2. Receivables and payables**a. Interfunds**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

b. Property taxes and other receivables

In the government-wide financial statements, all trade and property tax receivables are shown net of an allowance for uncollectibles. Allowance percentages range from 10% to 50% of outstanding receivable balances and are calculated based upon prior collections.

In the fund financial statements, all property taxes receivable at June 30, which have not been collected within 60 days of June 30, have been recorded as deferred inflows of resources since they are not considered to be available to finance expenditures of the current year. Property taxes are assessed on property as of October 1. Taxes are billed in the following July and are due in two installments, July 1 and January 1. Personal property and motor vehicle taxes are billed in July and are due in one installment, July 1, and supplemental motor vehicle taxes are due in full January 1. Liens are effective on the assessment date and are continued by filing before the end of the fiscal year following the due date.

3. Restricted Assets

The restricted assets for the Town are restricted for performance bonds and endowments. Performance bonds are restricted until the monies are returned to the vendor after satisfactory completion of contract or the Town calls the bond for nonperformance. The trust agreement restricts the expenditure of the investment income only for the designated purpose.

4. Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements and proprietary fund financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than the capitalization threshold for that asset type and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Town of New Canaan, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2019

C. Assets, liabilities, deferred outflows/inflows of resources and net position or equity (continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant and equipment of the Town are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years	Capitalization Threshold
Land	N/A	\$ All
Construction in progress	N/A	10,000
Land improvements	20	10,000
Buildings and improvements	50	10,000
Machinery and equipment	5-15	10,000
Vehicles	8	10,000
Infrastructure	20-65	10,000

5. Deferred outflows/inflows of resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

C. Assets, liabilities, deferred outflows/inflows of resources and net position or equity (continued)

The Town reports deferred outflows and inflows of resources related to pensions and OPEB in the government-wide statements for differences between expected and actual experience, changes in assumptions and net difference between projected and actual earnings on plan investments. The deferred outflow or inflow related to differences between expected and actual experience and changes in assumptions will be amortized over the average remaining service life of all plan members. The deferred outflow or inflow related to the net difference between projected and actual earnings on plan investments will be amortized over a five-year period.

Deferred outflows and inflows of resources also include deferred outflows and inflows relating to advance refunding of debt. These amounts are deferred and are amortized over the life of the debt.

For governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. Accordingly, unavailable revenue is reported only in the governmental funds' balance sheet. The governmental funds report unavailable revenues from several sources: property taxes (including advance collections, if any), sewer assessment and use charges. These amounts are recognized as an inflow of resources in the period that the amounts become available.

6. Compensated absences

Vacation time earned during the fiscal year can be carried over to the succeeding year, subject to limitations as provided in the respective collective bargaining agreements. Employees are entitled to accumulate sick leave up to a maximum amount stipulated in each contract. Payment for accumulated sick leave is dependent upon the length of service and accumulated days. Additionally, certain vacation and sick leave expenses will be paid out of the pension funds upon retirement. The value of all compensated absences has been reflected in the government-wide financial statements.

7. Long-term obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenses.

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

C. Assets, liabilities, deferred outflows/inflows of resources and net position or equity (continued)

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

8. Fund equity and net position

In the government-wide financial statements, net position is classified into the following categories:

Net Investment in Capital Assets

This category presents the net position that reflect capital assets net of only the debt applicable to the acquisition or construction of these assets. Debt issued for non-capital purposes, and unspent bond proceeds, are excluded.

Restricted Net Position

This category presents the net position restricted by external parties (creditors, grantors, contributors or laws and regulations).

Unrestricted Net Position

This category presents the net position of the Town, which is not restricted.

Sometimes the Town will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

In the fund financial statements, fund balances are classified into the following categories:

Nonspendable

This category presents amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted

This category presents amounts that can be spent only for specific purposes because of enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed

This category presents amounts that can be used only for specific purposes determined by a formal action at the highest level of decision-making authority for the Town. Commitments may be established, modified, or rescinded only through resolutions approved by the Town Council.

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

C. Assets, liabilities, deferred outflows/inflows of resources and net position or equity (continued)

Assigned

This category presents amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Intent is expressed by the passage of a resolution by the Board of Finance or Town Council or by a properly approved purchase order.

Unassigned

This category presents amounts that do not meet the criteria above and are available for any purpose. This category is only reported in the general fund for positive amounts and in any other fund that has a fund balance deficit.

The Town will sometimes fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

9. Use of estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities including disclosures of contingent assets and liabilities and reported revenues, expenses and expenditures during the fiscal year. Accordingly, actual results could differ from those estimates.

10. Reclassifications

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

II. Stewardship, compliance and accountability

A. Basis of budgeting

The General Fund and Sewer Taxing District Fund have legally adopted annual budgets.

The Town uses a basis of budgeting under which purchase orders for contracts or other commitments are recorded in order to reserve that portion of the applicable appropriation. Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued and, accordingly, encumbrances outstanding at year end are reported in the budgetary statements included as required supplementary information.

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

B. Donor-restricted endowments

The Town has received certain endowments for special education programs. The amounts are reflected in net position as restricted for endowments. Investment income is approved for disbursement by the Board of Education or the applicable Trustee and is included in restricted fund balance. At year end, net appreciation available for appropriation is \$295 from the Sydney Weisner Fund.

The Town allocates investment income of donor-restricted endowments in accordance with donor restrictions and Connecticut law, which has adopted the provisions of the Uniform Prudent Management of Institutional Funds Act ("UPMIFA"). Under UPMIFA, investment income earned on donor-restricted endowment funds is considered to be unrestricted in the absence of explicit donor restrictions. Further, in the absence of explicit donor restrictions regarding investment appreciation, such appreciation is treated the same as the related investment income. Investment losses that reduce the value of endowment investments below the original principal amount serve to reduce restricted net position or unrestricted net position, depending upon the applicable donor's stipulations regarding the treatment of investment income and appreciation.

C. Capital projects authorizations

The following is a summary of certain capital projects:

Project	Project Authorization	Cumulative Expenditures	Balance
Jeliff Mill Rd Bridge	\$ 3,725,000	\$ 3,468,043	\$ 256,957
2018 NCHS Track/Field Rebuild	5,800,000	5,398,981	401,019
15-16 Road Improvement Project	5,000,000	4,922,207	77,793
Saxe Renovation/Addition Project	18,600,000	18,006,120	593,880
Town Hall Renovations 2013	18,000,000	17,999,400	600
South School Improvements	2,600,000	2,588,829	11,171
Waveny House Roof	2,300,000	2,267,657	32,343
Public Safety Radio Improvements	2,600,000	1,970,456	629,544
2018 Mead Little Leagues Rebuild	950,000	933,852	16,148
FY2018 Paving Bond	5,000,000	2,571,242	2,428,758
Wastewater Treatment Facility	1,400,000	666,270	733,730
2018 Waveny Elevator/Bathrooms/ADA	1,000,000	91,278	908,722
2018 Police Station Renovation	500,000	2,000	498,000
2019 Solar Projects	680,340	224,307	456,033
2019 Pavement Management Program	2,438,065	-	2,438,065
South School Roof 2019	2,183,500	3,438	2,180,062
Totals	\$ 72,776,905	\$ 61,114,080	\$ 11,662,825

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

III. Detailed notes**A. Cash and investments****1. Deposits - Custodial Credit Risk**

At year end, the Town's bank balance of \$54,403,980 (including certificates of deposit and money markets accounts classified as investments) was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 18,124,355
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	<u>30,426,516</u>
Total amount subject to custodial credit risk	<u>\$ 48,550,871</u>

Financial instruments that potentially subject the Town to significant concentrations of credit risk consist primarily of cash. From time to time, the Town's cash account balances exceed the Federal Deposit Insurance Corporation limit. The Town reduces its credit risk by maintaining its cash deposits with major financial institutions and monitoring their credit ratings.

2. Investments

- a. The Town's investments (including restricted investments) consisted of the following types and maturities. Specific identification was used to determine the maturities.

Type of Investment	Fair Value	Investment Maturities (In Years)				
		N/A	Less Than 1	1-5 Years	5-10 Years	Over 10
Mutual funds						
Equity	\$ 103,189,953	\$103,189,953	\$ -	\$ -	\$ -	\$ -
Bond	55,042,687	-	-	-	55,042,687	-
Certificates of deposit	1,010,724	-	1,010,724	-	-	-
Bank money market accounts	23,204,300	23,204,300	-	-	-	-
US government agency securities	8,882,174	-	-	4,334,095	-	4,548,079
Total	<u>\$ 191,329,838</u>	<u>\$126,394,253</u>	<u>\$ 1,010,724</u>	<u>\$ 4,334,095</u>	<u>\$ 55,042,687</u>	<u>\$ 4,548,079</u>

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

A. Cash and investments (continued)

b. The Town had the following recurring fair value measurements:

	Amount	Quoted Market Prices in Active Markets Level 1	Significant Observable Inputs Level 2
<u>Investments by Fair Value Level</u>			
Mutual Funds:			
Equity	\$ 103,189,953	\$ 103,189,953	\$ -
Bond	55,042,687	55,042,687	-
U.S. government agency securities	8,882,174	-	8,882,174
Total Investments by Fair Value Level	167,114,814	\$ 158,232,640	\$ 8,882,174
<u>Other Investments</u>			
Certificates of deposit	1,010,724		
Bank money market accounts	23,204,300		
Total other investments	24,215,024		
Total Investments	\$ 191,329,838		

Level 1: Quoted prices for identical investments in active markets

Level 2: Observable inputs: quoted prices for identical securities in markets that are not active

c. The Town's investments subject to credit risk had average ratings by Standard & Poor's as follows:

Type of Investment	Ratings		Total
	AAA	AA	
Mutual funds			
Bond	\$ -	\$ 55,042,687	\$ 55,042,687
U.S government agency securities	8,882,174	-	8,882,174
TOTAL	\$ 8,882,174	\$ 55,042,687	\$ 63,924,861

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

A. Cash and investments (continued)

- d. Certain investments are covered by the Securities Investor Protection Corporation ("SIPC") up to \$500,000, including \$250,000 of cash from sale or for purchase of investments, but not cash held solely for the purpose of earning interest. SIPC protects securities such as notes, stocks, debentures, certificates of deposit and money funds.

The following Town investments are held by the counterparty's trust department or agent but not in the Town's name and, therefore, are subject to custodial credit risk.

	<u>Total</u>	<u>Less Insured Amounts</u>	<u>Amount Subject to Custodial Credit Risk</u>
US government agency securities	<u>\$ 8,882,174</u>	<u>\$ 1,000,000</u>	<u>\$ 7,882,174</u>

B. Receivables

Receivable balances have been disaggregated by type and presented separately in the financial statements. Only receivables for the Town's government-wide financial statements with allowances for uncollectible accounts, including the applicable allowances for uncollectible accounts, are presented below.

Governmental Activities:

	<u>Property Taxes</u>		
	<u>Taxes</u>	<u>Interest and Lien Fees</u>	<u>Total</u>
Current portion	<u>\$ 576,397</u>	<u>\$ 116,030</u>	<u>\$ 692,427</u>
Long-term portion	\$ 720,719	\$ 248,014	\$ 968,733
Less allowance for uncollectibles	<u>(218,839)</u>	<u>(72,809)</u>	<u>(291,648)</u>
Net Long-term portion	<u>\$ 501,880</u>	<u>\$ 175,205</u>	<u>\$ 677,085</u>
Totals	<u>\$ 1,078,277</u>	<u>\$ 291,235</u>	<u>\$ 1,369,512</u>

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

C. Interfund accounts**1. Interfund payables and receivables**

A summary of interfund balances is as follows:

	Corresponding Fund	Due From	Due To
General Fund			
Special Revenue Funds	N/A	\$ 1,649,037	\$ 33,915
Internal Service Funds	N/A	-	402,785
Fiduciary Funds	N/A	1,125	781
Total General Fund		<u>1,650,162</u>	<u>437,481</u>
Bridge Replacement Fund	Special Bonding Fund	-	59,562
Other Governmental Funds			
Special Revenue Funds			
School Lunch Fund	General Fund	-	662,923
Summer Learning Fund	General Fund	-	2,111
Town Grants Fund	General Fund	-	8,657
Facilities Rental Fund	General Fund	-	27,058
Special Projects Fund	General Fund	-	170,706
State and Federal Educational Grants Fund	General Fund	-	624,986
School Donation Fund	General Fund	-	72,362
School Donation Fund	Custodial Funds	-	15,880
Railroad Fund	General Fund	-	80,234
Affordable Housing Fund	General Fund	33,915	-
Capital Project Funds			
School Energy Efficiency Fund	Special Bonding Fund	-	252,097
South School Improvement Fund	Special Bonding Fund	-	41,509
Saxe School Improvement Fund	Special Bonding Fund	-	411,732
Special Bonding Fund	Bridge Replacement Fund	59,562	-
Special Bonding Fund	School Energy Efficiency Fund	252,097	-
Special Bonding Fund	South School Improvement Fund	41,509	-
Special Bonding Fund	Saxe School Improvement Fund	411,732	-
Special Bonding Fund	Baseball Fields Fund	14,441	-
Baseball Fields Fund	Special Bonding Fund	-	14,441
Total Other Governmental Funds		<u>813,256</u>	<u>2,384,696</u>

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

C. Interfund accounts (continued)

	Corresponding Fund	Due From	Due To
Internal Service Funds			
Town Health Benefits Fund	General Fund	\$ 402,785	\$ -
Fiduciary Funds			
Pension Trust Funds			
Defined Benefit Pension Trust Fund	General Fund	781	-
Other Post Employment Benefits Trust Fund	General Fund	-	1,125
Private Purpose Trust Funds			
Custodial Funds	School Donation Fund	15,880	-
Total Fiduciary Funds		16,661	1,125
Grand Total		\$ 2,882,864	\$2,882,864

All interfund balances resulted from the time lag between the dates payments occurred between funds for interfund goods, payroll and services provided or in instances where certain funds do not have an operation cash account.

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

C. Interfund accounts (continued)**2. Interfund transfers**

A summary of interfund transfers is as follows:

	Corresponding Fund	Transfers In	Transfers Out
General Fund			
Special Revenue Funds	N/A	\$ 236,181	\$ -
Capital Projects Funds	N/A	-	2,898,365
Waveny Pool Fund	N/A	-	37,996
Total General Fund		<u>236,181</u>	<u>2,936,361</u>
Waveny Pool Fund	General Fund	<u>37,996</u>	<u>-</u>
Other Governmental Funds			
Special Revenue Funds			
Facilities Rental Fund	General Fund	-	10,000
Special Projects Fund	Tax Supported Capital Fund	-	117,635
State and Federal Educational Grants Fund	General Fund	-	226,181
Capital Project Funds			
Road Paving Fund	Small Bonded Capital Projects Fund	9,526	-
Road Paving Fund	Town Hall Renovations Fund	600	-
Small Bonded Capital Projects Fund	Road Paving Fund	-	9,526
Small Bonded Capital Projects Fund	South School Improvement Fund	-	66,813
South School Improvement Fund	Small Bonded Capital Projects Fund	66,813	-
Town Hall Renovations Fund	Road Paving Fund	-	600
Tax Supported Capital Fund	General Fund	2,898,365	-
Tax Supported Capital Fund	Special Projects Fund	<u>117,635</u>	<u>-</u>
Total Other Governmental Funds		<u>3,092,939</u>	<u>430,755</u>
Total		<u>\$3,367,116</u>	<u>\$3,367,116</u>

Transfers are used to account for the financing by the general fund of various program and activities in other funds.

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

D. Capital assets

Capital asset activity for the year was as follows:

Governmental Activities:

	Balance July 1, 2018	Increases	Decreases	Balance June 30, 2019
Capital assets not being depreciated				
Land	\$ 71,304,044	\$ -	\$ -	\$ 71,304,044
Construction in progress	5,303,454	-	5,218,645	84,809
Total capital assets not being depreciated	<u>76,607,498</u>	<u>-</u>	<u>5,218,645</u>	<u>71,388,853</u>
Capital assets being depreciated				
Land improvements	12,418,103	6,803,239	-	19,221,342
Buildings and improvements	194,592,970	2,265,697	-	196,858,667
Machinery and equipment	26,871,455	4,168,455	68,000	30,971,910
Vehicles	11,663,912	686,672	146,400	12,204,184
Infrastructure	83,249,597	5,333,889	-	88,583,486
Total capital assets being depreciated	<u>328,796,037</u>	<u>19,257,952</u>	<u>214,400</u>	<u>347,839,589</u>
Less accumulated depreciation				
Land improvements	6,424,880	734,477	-	7,159,357
Buildings and improvements	66,210,055	5,418,126	-	71,628,181
Machinery and equipment	17,375,379	1,650,707	64,600	18,961,486
Vehicles	7,904,039	732,374	127,330	8,509,083
Infrastructure	43,798,175	2,254,394	-	46,052,569
Total accumulated depreciation	<u>141,712,528</u>	<u>10,790,078</u>	<u>191,930</u>	<u>152,310,676</u>
Net capital assets being depreciated	<u>187,083,509</u>	<u>8,467,874</u>	<u>22,470</u>	<u>195,528,913</u>
Net capital assets	<u>\$ 263,691,007</u>	<u>\$ 8,467,874</u>	<u>\$ 5,241,115</u>	<u>\$ 266,917,766</u>

Depreciation expense was charged to functions/programs of the Town as follows:

General government	\$ 385,345
Public safety	833,229
Public works	4,235,772
Parks and recreation	315,424
Education	<u>5,020,308</u>
Total depreciation expense	<u>\$ 10,790,078</u>

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

D. Capital assets (continued)Business-Type Activities:

	<u>Balance</u> <u>July 1, 2018</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2019</u>
Capital assets being depreciated				
Land improvements	\$ 47,626	\$ -	\$ -	\$ 47,626
Buildings and improvements	1,953,963	-	-	1,953,963
Machinery and equipment	153,629	-	-	153,629
	<u>2,155,218</u>	<u>-</u>	<u>-</u>	<u>2,155,218</u>
Total capital assets being depreciated				
Less accumulated depreciation				
Land improvements	2,481	2,262	-	4,743
Buildings and improvements	523,533	37,126	-	560,659
Machinery and equipment	145,947	-	-	145,947
	<u>671,961</u>	<u>39,388</u>	<u>-</u>	<u>711,349</u>
Total accumulated depreciation				
Net capital assets	<u>\$ 1,483,257</u>	<u>\$ (39,388)</u>	<u>\$ -</u>	<u>\$ 1,443,869</u>

Depreciation expense of \$39,388 was charged to the Waveny Pool Fund.

E. Construction Commitments

The Town had the following construction commitments:

Town Hall Annex Renovation	\$ 296,240
Garage Roof	64,150
2019 Road Paving	58,850
Solar Project	<u>336,316</u>
Total	<u>\$ 755,556</u>

Town of New Canaan, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2019

F. Changes in long-term obligations

1. Summary of changes

The following is a summary of changes in long-term obligations during the fiscal year:

Governmental Activities:

Description	Original Amount	Year of Issue	Year of Maturity	Interest Rate	Balance July 1, 2018	Additions	Deductions*	Balance June 30, 2019	Current Portion	Long-Term Portion
<u>Bonds:</u>										
General Purpose:										
Refunding bonds	\$ 22,480,000	2009	2022	3.13%	\$ 8,477,000	\$ -	\$ 8,477,000	\$ -	\$ -	\$ -
Refunding bonds	7,890,000	2009	2024	2-5%	6,109,000	-	6,109,000	-	-	-
Refunding bonds	1,970,000	2010	2023	3-5%	1,010,000	-	1,010,000	-	-	-
General obligation	15,390,000	2010	2030	2-4%	3,708,000	-	2,775,000	933,000	-	933,000
Refunding bonds	903,000	2012	2026	.18-4%	886,000	-	-	886,000	-	886,000
General obligation	6,500,000	2012	2026	2-2.375%	4,172,000	-	468,000	3,704,000	463,000	3,241,000
General obligation	4,750,000	2013	2028	2-3%	3,461,698	-	2,516,698	945,000	315,000	630,000
General obligation	15,300,000	2014	2033	2-4%	12,240,000	-	765,000	11,475,000	765,000	10,710,000
General obligation	6,540,000	2015	2026	2.5-3%	5,220,000	-	435,000	4,785,000	435,000	4,350,000
Refunding bonds	8,756,000	2015	2025	2.5-3%	7,390,000	-	737,000	6,653,000	741,000	5,912,000
General obligation	2,303,000	2016	2031	1.5-4%	1,985,000	-	155,000	1,830,000	155,000	1,675,000
General obligation	2,400,000	2017	2037	3.00%	2,280,000	-	120,000	2,160,000	120,000	2,040,000
General obligation	11,365,828	2018	2039	2.25-5%	11,365,828	-	768,828	10,597,000	770,000	9,827,000
Refunding bonds - Series B	5,459,000	2018	2029	4-5%	-	5,459,000	199,000	5,260,000	155,000	5,105,000
Refunding bonds - Series C	11,584,000	2018	2025	5.00%	-	11,584,000	-	11,584,000	2,439,000	9,145,000
General obligation	5,674,835	2018	2028	3.5-5%	-	5,674,835	-	5,674,835	453,585	5,221,250
Total general purpose					68,304,526	22,717,835	24,535,526	66,486,835	6,811,585	59,675,250
School bonds:										
Refunding bonds	42,590,000	2009	2022	3.13%	8,609,000	-	8,609,000	-	-	-
Refunding bonds	14,799,000	2009	2024	2-5%	8,985,000	-	8,985,000	-	-	-
Refunding bonds	14,360,000	2010	2023	3-5%	7,365,000	-	7,365,000	-	-	-
General obligation	1,110,000	2010	2030	2-4%	267,000	-	200,000	67,000	-	67,000
Refunding bonds	6,242,000	2012	2026	.18-4%	6,124,000	-	-	6,124,000	-	6,124,000
General obligation	600,000	2012	2026	2-2.375%	378,000	-	42,000	336,000	42,000	294,000
General obligation	80,000	2013	2028	2-3%	58,302	-	43,302	15,000	5,000	10,000
Refunding bonds	634,000	2015	2025	2.5-3%	535,000	-	53,000	482,000	54,000	428,000
General obligation	6,602,000	2016	2031	1.5-4%	5,715,000	-	445,000	5,270,000	445,000	4,825,000
General obligation	6,900,000	2017	2037	3.00%	6,555,000	-	345,000	6,210,000	345,000	5,865,000
General obligation	8,634,172	2018	2038	2.25-5%	8,634,172	-	676,172	7,958,000	675,000	7,283,000
Refunding bonds - Series B	7,411,000	2018	2029	4-5%	-	7,411,000	1,451,000	5,960,000	1,130,000	4,830,000
Refunding bonds - Series C	12,854,000	2018	2025	5.00%	-	12,854,000	-	12,854,000	2,326,000	10,528,000
General obligation	125,165	2018	2028	3.5-5%	-	125,165	-	125,165	6,415	118,750
Total School purpose					53,225,474	20,390,165	28,214,474	45,401,165	5,028,415	40,372,750
Sewer bonds										
Refunding bonds	291,000	2009	2019	3.13%	50,000	-	50,000	-	-	-
Refunding bonds	269,000	2009	2022	2-5%	173,000	-	173,000	-	-	-
Refunding bonds - Series C	162,000	2018	2022	5.00%	-	162,000	-	162,000	54,000	108,000
Total sewer bonds					223,000	162,000	223,000	162,000	54,000	108,000
Total bonds					121,753,000	43,270,000	52,973,000	112,050,000	11,894,000	100,156,000

Town of New Canaan, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2019

F. Changes in long-term obligations (continued)

Description	Original Amount	Year of Issue	Year of Maturity	Interest Rate	Balance July 1, 2018	Additions	Deductions*	Balance June 30, 2019	Current Portion	Long-Term Portion
<u>Notes:</u>										
Clean Water:										
CWF 175-CSL					\$ 679,043	\$ -	679,043	\$ -	\$ -	\$ -
Equipment Financing Notes										
Energy Conservation	\$ 190,242	2017	2022	3.19%	174,387	-	47,560	126,827	47,560	79,267
Energy Conservation	269,967	2018	2022	4.23%	-	269,967	50,619	219,348	67,492	151,856
Vehicles	153,230	2013	2018	6.24%	14,465	-	14,465	-	-	-
Technology Equipment	800,000	2015	2019	1.41%	203,544	-	203,544	-	-	-
Technology Equipment	600,000	2016	2020	1.48%	304,044	-	150,903	153,141	153,141	-
Technology Equipment	600,000	2017	2020	1.63%	453,051	-	148,565	304,486	151,003	153,483
Technology Equipment	600,000	2018	2022	3.04%	-	600,000	144,280	455,720	147,319	308,401
Technology Equipment	600,000	2019	2023	2.26%	-	600,000	-	600,000	293,253	306,747
Total notes					1,828,534	1,469,967	1,438,979	1,859,522	859,768	999,754
Total bonds/notes					123,581,534	44,739,967	54,411,979	113,909,522	12,753,768	101,155,754
Premium **					2,561,348	588,199	613,979	2,535,568	-	2,535,568
Total bonds/notes and related liabilities					126,142,882	45,328,166	55,025,958	116,445,090	12,753,768	103,691,322
Compensated absences					2,263,777	1,846,168	1,604,488	2,505,457	375,819	2,129,638
Heart and hypertension					1,639,816	-	612,842	1,026,974	102,697	924,277
Post closure landfill costs					275,000	-	25,000	250,000	25,000	225,000
Net OPEB liability					15,247,770	3,092,336	9,969,334	8,370,772	-	8,370,772
Total long-term obligations					\$ 145,569,245	\$ 50,266,670	\$ 67,237,622	\$ 128,598,293	\$ 13,257,284	\$ 115,341,009

All long-term liabilities are generally liquidated by the General Fund.

Business-Type Activities:

Description	Original Amount	Date of Issue	Date of Maturity	Interest Rate	Balance July 1, 2018	Additions	Deductions*	Balance June 30, 2019	Current Portion	Long-term Portion
Wavney Pool Fund Bonds										
Refunding bonds - Series A	\$ 1,149,000	2009	2022	3.13%	\$ 199,000	\$ -	\$ 199,000	\$ -	\$ -	\$ -
Refunding bonds	1,047,000	2009	2022	2-5%	673,000	-	673,000	-	-	-
Refunding bonds - Series C	635,000	2018	2022	5.00%	-	635,000	-	635,000	211,000	424,000
					\$ 872,000	\$ 635,000	\$ 872,000	\$ 635,000	\$ 211,000	\$ 424,000

* Includes \$39,772,000 and \$673,000 of refunded bonds for governmental activities and business-type activities, respectively.

** Premium for the refunding bonds was deposited into the trust.

Town of New Canaan, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2019

F. Changes in long-term obligations (continued)

The following is a summary of amounts to be provided for the retirement of bond and note maturities:

Year Ended June 30:	Governmental Activities			Business-Type Activities	
	Bond Principal	Note Principal	Total Interest	Bond Principal	Total Interest
2020	\$ 11,894,000	\$ 859,768	\$ 4,159,685	\$ 211,000	\$ 31,750
2021	12,118,000	572,044	3,563,432	212,000	21,200
2022	12,278,000	410,838	3,021,942	212,000	10,600
2023	11,650,000	16,872	2,476,740	-	-
2024	11,855,000	-	1,996,788	-	-
2025	10,670,000	-	1,570,706	-	-
2026	7,245,000	-	1,217,326	-	-
2027	7,220,000	-	1,019,894	-	-
2028	5,360,000	-	810,756	-	-
2029	4,500,000	-	642,856	-	-
2030	3,850,000	-	514,056	-	-
2031	3,480,000	-	398,381	-	-
2032	1,905,000	-	312,281	-	-
2033	1,905,000	-	253,931	-	-
2034	1,905,000	-	194,888	-	-
2035	1,140,000	-	134,194	-	-
2036	1,140,000	-	97,706	-	-
2037	1,140,000	-	61,519	-	-
2038	675,000	-	25,256	-	-
2039	120,000	-	2,175	-	-
Totals	<u>\$ 112,050,000</u>	<u>\$ 1,859,522</u>	<u>\$ 22,474,512</u>	<u>\$ 635,000</u>	<u>\$ 63,550</u>

2. Statutory debt limitations

The Town's indebtedness does not exceed the legal debt limitations as required by Connecticut General Statutes as reflected in the following schedule:

Category	Debt Limit	Net Indebtedness	Balance
General purpose	\$ 312,611,346	\$ 66,486,835	\$ 246,124,511
Schools	625,222,692	45,401,165	579,821,527
Sewer	521,018,910	162,000	520,856,910
Urban renewal	451,549,722	-	451,549,722
Pension deficit	416,815,128	-	416,815,128

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, \$972,568,632.

The indebtedness reflected above includes bonds outstanding in addition to the amount of bonds authorized and unissued against which bond anticipation notes are issued and outstanding.

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

F. Changes in long-term obligations (continued)

3. Authorized/unissued debt

The amount of authorized and unissued bonds are as follows:

<u>Project</u>	<u>Amount</u>
Bridge Replacement Program	\$ 1,103,936
South School Improvements	30,824
MUNIS Accounting Project	470,000
Saxe Middle School Renovation	1,003,867
School Buildings 2017 Projects	1,239
Paving Management 2018	1,941,978
Recreation 2018 Program	115,000
Pavement Infrastructure 2018 Program	550,000
Town Buildings 2018 Program	560,464
Police Station Renovation	500,000
Waveny House 2018 Program	850,000
Nature Center 2018 Program	369,591
Parks Equipment 2018 Program	26,455
Fields Improvement 2018 Program	390,000
Schools 2018 Program	433,735
West Road Bridge design	100,000
Recreation 2019 Program	128,821
Schools 2019 Project	783,000
Pavement Management 2019 Project	1,650,000
Town Buildings 2019	772,771
South School Roof 2019	2,183,500
Highway Equipment 2019 Project	568,000
Parks Equipment 2019 Project	246,000
Fields Improvements 2019 Projects	220,000
Highway Department Garage Roof 2019	436,425
Infrastructure 2019 Project	900,000
IT 2019 Project	150,000
Parking Department Vehicle 2019	42,500
Police Vehicles 2019 Projects	62,000
Hook Truck Project 2019	120,700
Hook Truck Rescue 2019	500,000
	<u>500,000</u>
Total	<u>\$ 17,210,806</u>

In addition, the Town authorized \$17,550,000 in refunding bonds subsequent to year end, on August 1, 2019. On September 29, 2019, the Town issued \$15,055,000 of general obligation refunding bonds and \$9,600,000 of general obligation bonds. These bonds mature through 2039 and carry interest rates of 4.0 – 5.0%.

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

F. Changes in long-term obligations (continued)

4. Current Year Advance Refunding

In November 2018 and January 2019, the Town issued \$12,870,000 and \$25,235,000 of general obligation bonds with an interest rate of 4.0% to 5.0%. These refunding bonds were issued to defease bonds issued in 2009, 2010, and 2013. The refunding resulted in an economic gain of \$1,681,404 with a total savings of \$2,043,199.

5. Municipal Solid Waste Landfill Closure and Post-closure Care Costs

State and Federal laws and regulations require that the Town perform certain maintenance and monitoring functions at the landfill site for 30 years. Estimated total current costs of landfill post-closure care is \$250,000 which is based on the amount estimated to be paid for all equipment, facilities and services required to monitor and maintain the landfill. However, the actual cost of monitoring and other post-closure care may be higher due to inflation, changes in technology or changes in landfill laws and regulations.

6. Operating Leases Payable

The Town is a lessee in operating leases as follows:

Lease of	General Fund		Total
	Education Offices	LAUNCH Offices	
Expenditures for operating leases	\$ 307,304	\$ 39,158	\$ 346,462

Total payments on operating leases for years ending:

2020	\$ 307,304	\$ 39,680	\$ 346,984
2021	315,958	40,403	356,361
2022	315,958	17,050	333,008
2023	324,612	-	324,612
Thereafter (2024-2026)	991,144	-	991,144

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

G. Fund balance and restricted net position classifications

Fund balances are classified as follows:

	General Fund	Bridge Replacement Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable				
Legally required to be maintained intact				
Sydney Weisner Fund	\$ -	\$ -	\$ 56,500	\$ 56,500
Restricted				
General government	-	-	227,766	227,766
Public safety	-	-	141,622	141,622
Public works	-	-	410,045	410,045
Sewer	-	-	2,997,646	2,997,646
Health and welfare	-	-	248,333	248,333
Culture and recreation	-	-	161,907	161,907
Education	-	-	1,463,526	1,463,526
Sydney Weisner Fund	-	-	295	295
Parking lot repairs and maintenance	-	-	954,760	954,760
Total Restricted	-	-	6,605,900	6,605,900
Committed				
Capital projects				
Road paving	-	-	792,023	792,023
Track and fields projects	-	-	343,899	343,899
Other capital projects	-	-	6,755,609	6,755,609
Total Committed	-	-	7,891,531	7,891,531
Assigned				
General government	-	-	369,715	369,715
Compensated absences	265,372	-	-	265,372
Heart and hypertension	658,158	-	-	658,158
Storm damage	102,151	-	-	102,151
Health benefits	1,270,549	-	-	1,270,549
Public safety - police	-	-	737,471	737,471
Culture and recreation - movie theater	-	-	776,953	776,953
Education	-	-	505,255	505,255
Capital projects	-	-	507,431	507,431
Subsequent year's budget	3,000,000	-	-	3,000,000
Total Assigned	5,296,230	-	2,896,825	8,193,055
Unassigned	28,069,597	(276,827)	(715,507)	27,077,263
Total fund balance	\$ 33,365,827	\$ (276,827)	\$ 16,735,249	\$ 49,824,249

The amount of restricted net position, which was restricted by enabling legislation, totaled \$5,319,273.

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

H. Deficit fund balance

The following funds had a deficit fund balance at year end:

Town Grants Fund	\$ 10,169
School Energy Efficiency Fund	252,097
South School Improvement Fund	41,509
Saxe School Improvement Fund	411,732

The deficits will be eliminated by future transfers from other funds and by future bonding.

IV. Other information

A. Risk management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the Town carries commercial insurance except as noted below. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or three prior years.

The Town is a member of the Connecticut Interlocal Risk Management Agency ("CIRMA"), an unincorporated association of Connecticut local public agencies, which was formed in 1980 by the Connecticut Conference of Municipalities for the purpose of establishing and administering an interlocal risk management program pursuant to the provisions of Section 7-479a et. seq. of the Connecticut General Statutes. The Town is a member of CIRMA's workers' compensation pool and liability-auto-property ("LAP") risk pools.

The workers' compensation pool provides statutory benefits pursuant to the provisions of the Connecticut Workers' Compensation Act. The coverage is subject to an incurred loss retrospective rating plan, and losses incurred in the coverage period will be evaluated at 18, 30 and 42 months after the effective date of coverage. CIRMA's workers' compensation pool retains \$1,000,000 per occurrence and purchases reinsurance above that amount to the limit of liability of \$10 million per occurrence.

The Town is also a member of CIRMA's liability-auto-property ("LAP") pool, a risk sharing pool. The LAP pool's retention limits for general, personal injury and advertising injury, auto, employee benefits, law enforcement, public officials and school leaders liability are \$1,000,000 per occurrence with a \$25,000,000 annual aggregate.

The Town utilizes a risk management fund (the Internal Service Fund) to account for and finance its uninsured risks of loss. The fund records all claim expenditures and liabilities when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated.

Town of New Canaan, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2019

A. Risk management (continued)

The Town and Board of Education pay premiums to the Internal Service Fund for employees for medical and dental claims. The premium is calculated to cover the estimated cost of claims payment based on historical cost estimates of the amounts needed to pay prior and current year claims. The Town and board of education retain insurance policies for employee claims in excess of the maximum liability amounts. Maximum liability to the Town and Board of Education per covered participant is \$100,000 and \$300,000, respectively. A third party administers the plans in exchange for an administrative fee.

Claims liabilities include an estimate of claims incurred but not reported and are the Town's best estimate based on available information.

The claims liability reported in the fund is based upon accounting principles, which require that a liability for estimated claims incurred but not reported be recorded. The amount of claim accrual is based on the ultimate costs of settling the claim, which include past experience data, inflation and other future economic and societal factors and incremental claim adjustment expenses, net of estimated subrogation recoveries. The claim accrual does not include other allocated or unallocated claims adjustment expenses.

The Town is self-insured for claims under C.G.S. 7-433c, the Heart and Hypertension Act.

Changes in the balances of claim liabilities during the past two years is as follows:

	Claims Payable July 1	Current year Claims and Changes in Estimates	Claims Paid	Claims Payable June 30
<u>Town Health Benefits</u>				
2017-2018	\$ 323,160	\$ 3,453,019	\$ (3,476,019)	\$ 300,160
2018-2019	300,160	5,798,186	(5,723,007)	375,339
<u>BOE Health Benefits</u>				
2017-2018	1,025,464	12,112,883	(12,018,096)	1,120,251
2018-2019	1,120,251	13,189,990	(13,147,382)	1,162,859
<u>Total</u>				
2017-2018	<u>\$ 1,348,624</u>	<u>\$ 15,565,902</u>	<u>\$ (15,494,115)</u>	<u>\$ 1,420,411</u>
2018-2019	<u>\$ 1,420,411</u>	<u>\$ 18,988,176</u>	<u>\$ (18,870,389)</u>	<u>\$ 1,538,198</u>

	Claims Payable July 1	Current Year Claims and Changes in Estimates	Claims Paid	Claims Payable June 30
<u>Heart and Hypertension</u>				
2017-2018	\$ 1,930,178	\$ (213,107)	\$ 77,255	\$ 1,639,816
2018-2019	1,639,816	(568,456)	44,386	1,026,974

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

B. Commitments and litigation

Amounts received or receivable from Federal and State grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

The Town is a defendant in various lawsuits and the outcome of these lawsuits is not presently determinable. In the opinion of the Town attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the Town.

The State of Connecticut's financial struggles continues to cause concern for local governments with respect to the State's ability to provide grants at the amounts provided in previous years and/or the potential elimination of certain grants. The State received a rating decrease from Standard and Poors from A+ to A in April 2018. This is a result of the State's high level of bonded debt. During the year the Town received and expected \$2,540,293 in the form of grants from the State and \$23,926,216 was paid by the State related to New Canaan's portion of the State Teachers' Retirement pension and OPEB benefits (See Notes V.C and V.E). The remaining liability for the Teachers Retirement and OPEB are \$133,934,601 and \$26,774,353, respectively. It is unknown at year end if the amounts received for grants may be reduced in future years and/or the remaining liability, or some portion thereof, for teacher's pension and OPEB become the responsibility of the Town.

C. Operating lease revenue

The Town is the lessor of a number of Town owned properties. These properties have a combined cost of \$5,298,172 and combined accumulated depreciation of \$849,451. These figures exclude properties with no rent or rent of \$1 per year. The minimum lease payments to be received are as follows:

Year Ending June 30,	
2020	\$ 372,512
2021	122,270
2022	108,594
2023	<u>91,408</u>
Total	<u>\$ 694,784</u>

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

V. Pensions and other post-employment benefit plans

A. Pension plan

1. Plan description

a. Plan administration

The Town is the administrator of a single employer public employee retirement system ("PERS"), the Retirement Plan of the Town of New Canaan, established and administered by the Town to provide pension benefits for its regular and former employees (excluding teachers who are covered under the Connecticut State Teachers' Retirement System ("TRS")). The PERS is considered to be part of the Town of New Canaan's financial reporting entity and is included in the Town's financial statement as a pension trust fund. A separate stand-alone financial report is not issued. Benefits may be changed by the Town Council through union agreements or other action.

The plan provides retirement benefits through a single employer contributory defined benefit plan. Members include bargained and non-bargained Town employees and employees of the department of public works ("DPW"), police and fire departments, Board of Education ("BOE"), and the employees of the library. Temporary employees, employees working less than 20 hours per week and any BOE employee covered under the TRS are excluded. Effective January 1, 2011 non-bargained Town, non-bargained BOE (including teaching assistants) and library employees are not eligible for the plan. DPW employees hired after July 1, 2010 are not eligible for the plan.

A pension committee oversees the pension administration and activities. This committee is comprised of the following voting members: the First Selectman, the Town's Finance Director, a member of the Board of Finance, an appointee of the police union and an appointee of the fire union. An appointee of the public works union attends the meetings but is not a voting member.

b. Plan membership

As of July 1, 2018, membership in the plan is comprised of the following:

Retirees and beneficiaries receiving benefits	288
Terminated employees entitled to benefits	171
Terminated employees due refunds of contributions	2
Active members	<u>316</u>
 Total	 <u><u>777</u></u>

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

A. Pension plan (continued)

2. Benefit provisions

Normal retirement	Police: 25 years of service or age 50 with 20 years of service
	Fire: Age 50 with 20 years of service
	All others: Age 65 with 5 years of service
Benefit calculation	DPW: 2.25% times average annual compensation times years of credited service, up to a maximum of 30 years
	Police and Fire: 2.5% times average annual compensation times years of credited service, up to a maximum of 30 years
	BOE, Town Hall and Non-bargained Town Employees: 2.0% times average annual compensation times years of credited service, up to a maximum of 30 years
	Library: 2.5% times average annual compensation minus 0.65% of average annual compensation up to covered compensation times years of credited service, up to a maximum of 30 years
Average annual compensation	DPW, Fire and Town Employees: The highest 1 year average of the compensation rate in effect upon termination of the last 10 calendar years.
	Police: The highest consecutive 3 year average of the January 1st compensation rates of the last 10 years. Upon attainment of age 55, the 1 year average of the rate of compensation at January 1st.
	BOE and Library: The highest consecutive 3 year average of the January 1st compensation rates of the last 10 years.
Early retirement age	55 (not applicable to police or fire)
Early retirement service requirement	15 years
Early retirement amount	Accrued benefit as of early retirement date subject to the applicable reduction factor

Town of New Canaan, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2019

A. Pension plan (continued)

Disability benefit	DPW: 40% of average final compensation immediately prior to date of disability minus 40% of Social Security minus Workers' Compensation benefit if disablement occurs during first 5 years of employment.
	Others: 50% of average annual compensation immediately prior to date of disability minus 50% of Social Security benefits minus Workers' Compensation benefit if disablement occurs during first 5 years of employment. There is no Social Security reduction for Police or Fire members. If disablement occurs after 5 years of service, there is no reduction for Workers' Compensation.
	The sum of the disability, Workers' Compensation, and Social Security benefits cannot exceed compensation before the date of disability.
Vesting - Age	None
Vesting - Service	5 years
Vesting - Amount	Vested portion of accrued benefit as of date of termination. Participant may elect to a return of employee contributions with credited interest and forfeit all vested benefits.
Death benefit amount	Excess of return of employee contributions with credited interest over special death benefit payable at participant's normal retirement date or first of month following date of death for all others.
	Special Benefit: Surviving spouse or dependent's benefit is 50% (60% for Police or Fire, and 75% for Police or Fire retirees) of average annual compensation immediately prior to death.
Cost of living increases	Periodically granted.
Plan closure	N/A

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

A. Pension plan (continued)**3. Contributions required**

Police employees	2.5% (effective 7/1/2019); If hired after 5/1/2015 - 8.0%; 0% after completion of 30 years of service
Fire employees	2.5%; If hired after 7/1/2014 - 8.0%; 0% after completion of 30 years of service
DPW employees	3.25%; 0% after completion of 30 years of service
Town Hall union employees	3.0%
BOE employees	4.0%; If hired after 1/1/2016 - 8.0%; 0% after completion of 30 years of service for union members
Library	2.0%
All other non-union Town employees	0.5%
Town	Amount determined by the actuary, considering the member contributions. The Town has a policy to pay at least the greater of: (a) 40% of the actuarially determined employer contributions ("ADEC") or (b) 80% of the prior year's actual contribution up to 100% of the ADEC

4. Investments**a. Investment policy**

The pension plans' policy in regard to the allocation of invested assets is established and may be amended by the Board of Finance by a majority vote of its members. It is the policy of the Town's Board of Finance to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The following is the Board's adopted asset allocation policy:

<u>Asset Class</u>	<u>Target Allocation</u>
US Equity	42.00%
Non-US Equity	23.00%
Fixed Income	35.00%
Total	<u>100.00%</u>

b. Concentrations

There were no investments in any one organization that represents 5% or more of the pension plans' net position.

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

A. Pension plan (continued)

c. Long-term expected rate of return

The long-term expected rate of return on the pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target allocation percentage and by adding expected inflation. Best estimates of arithmetic nominal rates of return for each major asset class included in the pension plan's target asset allocation (see discussion of the pension plan's investment policy) are also summarized above.

<u>Asset Class</u>	<u>Expected Real Rate of Return</u>
US Equity	4.30%
International Equity	6.30%
Fixed Income	2.00%
Inflation rate	2.75%
Long-term expected nominal return	6.71%

d. Money-weighted rate of return

The annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 6.60%.

The money-weighted rate of return expresses investment performance, net of investment expense adjusted for the changing amounts actually invested.

5. Net Pension Liability

The components of the net pension liability were as follows:

Total pension liability	\$ 133,173,096
Plan fiduciary net position	<u>142,928,268</u>
Net pension liability (asset)	<u>\$ (9,755,172)</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>107.33%</u>

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

A. Pension plan (continued)

6. Actuarial assumptions

Valuation date	July 1, 2018
Actuarial cost method	Entry age normal
Asset valuation method	Fair value
Investment rate of return	6.75%, net of pension plan investment and administrative expense, including inflation
Inflation	2.75%
Salary increases	0.0-7.0%
Cost of living adjustments	none
Mortality rates	RP-2014 (adjusted back to 2006), projected to the valuation date with Scale MP-2018

The actuarial assumptions were based on the results of an actuarial experience study for the period July 1, 2010 through July 1, 2015.

7. Changes from prior year

a. Changes in assumptions

Mortality tables were updated from the scale MP-2016 to the scale MP-2018.

b. Benefit changes

There were no benefit changes during the year.

8. Discount Rate

The discount rate used to measure the total pension liability was 6.75%.

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

A. Pension plan (continued)**9. Changes in the Net Pension Asset**

The Town's net pension asset was measured at June 30, 2019, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of July 1, 2018. The changes in net pension asset for the fiscal year were as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balance at July 1, 2018	\$ 129,651,396	\$ 138,378,420	\$ (8,727,024)
Service cost	2,939,320	-	2,939,320
Interest	8,740,902	-	8,740,902
Differences between expected and actual experience	(1,447,770)	-	(1,447,770)
Changes in assumptions	(416,242)	-	(416,242)
Contributions - employer	-	1,319,772	(1,319,772)
Contributions - member	-	605,533	(605,533)
Net investment income	-	9,064,783	(9,064,783)
Benefit payments, including refunds of member contributions	(6,294,510)	(6,294,510)	-
Administrative expenses	-	(145,730)	145,730
Net change	3,521,700	4,549,848	(1,028,148)
Balance at June 30, 2019	\$ 133,173,096	\$ 142,928,268	\$ (9,755,172)

10. Sensitivity of the net pension asset to changes in the discount rate

The following presents the net pension asset, calculated using the current discount rate as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Net Pension Liability (Asset)	\$ 6,222,175	\$ (9,755,172)	\$ (23,161,531)

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

A. Pension plan (continued)

11. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The Town recognized pension expense of \$1,856,593. The Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description of Outflows/Inflows	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,913	\$ (1,066,778)
Changes in assumptions	372,066	(467,524)
Net difference between projected and actual earnings on pension plan investments	<u>-</u>	<u>(1,384,317)</u>
Total	<u>\$ 378,979</u>	<u>\$ (2,918,619)</u>
Net amount of deferred inflows and outflows		<u>\$ (2,539,640)</u>

Changes of assumptions and experience losses (gains) are amortized over the average remaining service period of actives and inactive which was 3.8 years.

Actual investment earnings below (or above) projected earnings are amortized over the next 5 years.

Amounts reported as deferred outflows (inflows) of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	
2020	\$ (369,973)
2021	(1,648,873)
2022	(551,120)
2023	<u>30,326</u>
Total	<u>\$ (2,539,640)</u>

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

B. Defined contribution retirement savings plan

Certain Town and Board of Education employees are eligible to participate in a defined contribution retirement savings plan administered by the Town known as the Town of New Canaan 401(a) plan. This is in lieu of the defined benefit plan for Town and Board of Education non-bargained employees hired after January 1, 2011 and for department of public works employees hired on or after July 1, 2010. The benefits and contribution requirements are established by approval of the Town Council. In a defined contribution plan, benefits depend solely on amounts contributed to the Plan plus investment earnings. Employer contributions are based on union contracts. Employees may make additional contributions subject to IRS regulations. The Plan is not reported as a fiduciary fund by the Town as it does not meet the reporting criterion.

The Town matches public works and Town non-bargained employees' contributions up to 7% of base pay. The Town matches town hall union employees' contributions up to 6% of base pay. The Board of Education matches employees' contributions up to 5% of base pay. The Town contributions for each employee are 100% vested.

Voluntary contributions up to the amount allowable under IRS regulations may be made by employees to the Town's 457 plan. These contributions may be withdrawn at any time, although earned interest will not be paid until such time as benefits are otherwise payable to the employee.

During the year, the employer contributions were \$306,068 and employee contributions totaled \$1,107,397.

C. Connecticut State Teachers' Retirement System

1. Plan description

Teachers, principals, superintendents or supervisors engaged in service of public schools are provided with pensions through the Connecticut State Teachers' Retirement System ("TRS"), a cost sharing multiple-employer defined benefit pension plan administered by the Teachers' Retirement Board ("TRB"). Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the TRB. TRS issues a publicly available financial report that can be obtained at www.ct.gov/trb.

2. Benefit provisions

The plan provides retirement, disability and death benefits. Employees are eligible to retire at age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut.

Normal Retirement: Retirement benefits for employees are calculated as 2% of the average annual salary times the years of credited service (maximum benefit is 75% of average annual salary during the 3 years of highest salary).

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

C. Connecticut State Teachers' Retirement System (continued)

Early Retirement: Employees are eligible after 25 years of credited service including 20 years of Connecticut service, or age 55 with 20 years of credited service including 15 years of Connecticut service. Benefit amounts are reduced by 6% per year for the first 5 years preceding normal retirement age and 4% per year for the next 5 years preceding the normal retirement age. Effective July 1, 1999, the reduction for individuals with 30 or more years of service is 3% per year by which retirement precedes normal retirement date.

Disability Retirement: Employees are eligible for service-related disability benefits regardless of length of service. Five years of credited service is required for nonservice-related disability eligibility. Disability benefits are calculated as 2% of average annual salary times credited service to date of disability, but not less than 15% of average annual salary, nor more than 50% of average annual salary. In addition, disability benefits under this plan (without regard to cost-of-living adjustments) plus any initial award of social security benefits and workers' compensation cannot exceed 75% of annual average salary.

Pre-Retirement Death Benefit: The Plan also offers a lump-sum return of contributions with interest or surviving spouse benefit depending on length of service.

3. Contributions

State of Connecticut

Per Connecticut General Statutes Section 10-183z (which reflects Public Act 79-436 as amended), contribution requirements of active employees and the State of Connecticut are amended and certified by the State Teachers' Retirement Board and appropriated by the General Assembly. The contributions are actuarially determined as an amount that, when combined with employee contributions and investment earnings, is expected to finance the costs of the benefits earned by employees during the year, with any additional amount to finance any unfunded accrued liability.

Employer (School Districts)

School district employers are not required to make contributions to the plan.

Employees

Effective January 1, 2018, each teacher is required to contribute 7% of their salary for the pension benefit.

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

C. Connecticut State Teachers' Retirement System (continued)

4. Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions

The Town reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows due to the statutory requirement that the State pay 100% of the required contribution. The amounts recognized by the Town as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's proportionate share of the net pension liability	\$ -
State of Connecticut's proportionate share of the net pension liability associated with the Town	<u>133,934,601</u>
Total	<u><u>\$133,934,601</u></u>

The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018. The Town has no proportionate share of the net pension liability.

During the year the Town recognized pension expense and revenue of \$15,031,792 for on-behalf amounts for the benefits provided by the State.

5. Actuarial assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	3.25-6.50%, including inflation
Investment rate of return	8.00%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2010 – June 30, 2015.

Town of New Canaan, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2019

C. Connecticut State Teachers' Retirement System (continued)

Future cost-of-living increases - For teachers who retired prior to September 1, 1992, pension benefit adjustments are made in accordance with increases in the Consumer Price Index, with a minimum of 3% and a maximum of 5% per annum. For teachers who were members of the Teachers' Retirement System before July 1, 2007, and retire on or after September 1, 1992, pension benefit adjustments are made that are consistent with those provided for social security benefits on January 1 of the year granted, with a maximum of 6% per annum. If the return on assets in the previous year was less than 8.5%, the maximum increase is 1.5%. For teachers who were members of the Teachers' Retirement System after July 1, 2007, pension benefit adjustments are made that are consistent with those provided for social security benefits on January 1 of the year granted, with a maximum of 5% per annum. If the return on assets in the previous year was less than 11.5%, the maximum increase is 3%, and if the return on the assets in the previous year was less than 8.5%, the maximum increase is 1.0%.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of arithmetic real rates of return for each major class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Large cap U.S. equities	21.0%	5.8%
Developed non-U.S. equities	18.0%	6.6%
Emerging markets (non-U.S.)	9.0%	8.3%
Real estate	7.0%	5.1%
Private equity	11.0%	7.6%
Alternative investments	8.0%	4.1%
Core fixed income	7.0%	1.3%
High yield bonds	5.0%	3.9%
Emerging market bond	5.0%	3.7%
Inflation linked bond fund	3.0%	1.0%
Cash	6.0%	0.4%
Total	<u>100.0%</u>	

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

C. Connecticut State Teachers' Retirement System (continued)

6. Discount rate

The discount rate used to measure the total pension liability was 8.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

7. Sensitivity of the net pension liability to changes in the discount rate

The Town's proportionate share of the net pension liability is \$0 and, therefore, the change in the discount rate would only impact the amount recorded by the State of Connecticut.

8. Plan fiduciary net position

Detailed information about the Connecticut State Teachers' Retirement Plan fiduciary net position is available in the separately issued State of Connecticut Comprehensive Annual Financial Report as of and for the year ended June 30, 2018.

D. Other post-employment benefit plan

1. Plan description

a. Plan administration

The Town is the administrator of a single-employer defined benefit plan established and administered by the Town to provide post-employment benefits, other than pensions, for certain employees and retirees. The plan is considered to be part of the Town of New Canaan's financial reporting entity and is included in the Town's financial statement as a pension and OPEB trust fund. A separate stand-alone financial report is not issued. Benefits may be changed by the Town Council through union agreements or other action of the council.

The Board of Finance serves as the OPEB board and has delegated certain administrative activities and oversight to the First Selectman.

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

D. Other post-employment benefit plan (continued)

b. Plan membership

As of July 1, 2018, the following employees are covered by the benefit terms:

Retirees and beneficiaries receiving benefits	133
Active members	<u>612</u>
 Total	 <u><u>745</u></u>

2. Benefit provisions

The plan provides for medical and dental benefits for all eligible retirees and their spouses. Benefits and contributions are established by contract and may be amended by union negotiations.

3. Contributions

Contributions to the plan are established by contract and may be amended by union negotiations and are as follows:

Town Non-bargained, Police, Fire and BOE employees	None required
DPW and Town Hall union employees	0.75%
Town	Actuarially determined on an annual basis using the entry age normal method.

Teachers who no longer work for the Board of Education are allowed by State Statute to participate in the Town’s group medical insurance plan until they formally begin receiving benefits from the State Teachers’ Retirement Plan. These teachers are required to contribute the cost of the insurance to the Town.

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

D. Other post-employment benefit plan (continued)

4. Investments

a. Investment policy

The OPEB plans' policy in regard to the allocation of invested assets is established and may be amended by the Board of Finance by a majority vote of its members. It is the policy of the Town's Board of Finance to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes.

The following was the Board's adopted asset allocation policy for the OPEB Plan:

<u>Asset Class</u>	<u>Target Allocation</u>
US Equity	42.00%
International Equity	23.00%
Fixed Income	<u>35.00%</u>
Total	<u><u>100.00%</u></u>

b. Concentrations

There were no investments in any one organization that represents 5% or more of the OPEB plans' net position.

c. Long-term expected rate of return

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation (see the discussion of the OPEB plan's investment policy) are as follows:

<u>Asset Class</u>	<u>Expected Real Rate of Return</u>
US Equity	4.30%
Non-US Equity	6.30%
US Bonds	2.00%
Inflation rate	2.75%
Long-term expected nominal return	6.71%

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

D. Other post-employment benefit plan (continued)

d. Money-weighted rate of return

The annual money-weighted rate of return on OPEB plan investments, net of investment expense, was 6.71%.

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

5. OPEB Liability

The components of the net OPEB liability were measured as of June 30, 2019 and were as follows:

Total OPEB liability	\$ 22,445,778
Plan fiduciary net position	<u>14,075,006</u>
Net OPEB liability	<u>\$ 8,370,772</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>62.7%</u>

6. Actuarial methods and assumptions

The total OPEB liability was determined based upon a July 1, 2018 actuarial valuation using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	July 1, 2018
Actuarial cost method	Entry age normal
Asset valuation method	Fair value
Discount rate	6.75%
Salary increases	0.0 - 7.0%
Healthcare cost trend rates:	
Inflation	2.75%
Initial medical trend rate	7.25%
Ultimate medical trend rate	4.75%
Mortality rates	RP-2014 adjusted to 2006 projected to the valuation date with Scale MP-2018

Actuarial assumptions are based on the results of an actuarial experience study for the period July 1, 2010 through July 1, 2015.

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

D. Other post-employment benefit plan (continued)**7. Change from prior year****a. Changes in Assumptions**

The healthcare cost rates decreased to the initial rate of 7.25% and an ultimate rate of 4.75% since the prior measurement date.

Mortality tables were updated from the scale MP-2016 to the scale MP-2018.

b. Benefit Changes

There were no benefit changes from the previous measurement date.

8. Discount rate

The discount rate used to measure the total OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

9. Changes in the OPEB liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at July 1, 2018	\$ 27,914,072	\$ 12,666,302	\$ 15,247,770
Service cost	850,205	-	850,205
Interest	1,902,210	-	1,902,210
Differences between expected and actual experience	(7,361,894)	-	(7,361,894)
Changes in assumptions	327,337	-	327,337
Contributions - employer	-	1,589,891	(1,589,891)
Contributions - member	-	39,351	(39,351)
Contributions - TRB subsidy	-	96,261	(96,261)
Net investment income	-	881,937	(881,937)
Benefit payments, including refunds of member contributions	(1,186,152)	(1,186,152)	-
Administrative expenses	-	(12,584)	12,584
Net change	(5,468,294)	1,408,704	(6,876,998)
Balance at June 30, 2019	\$ 22,445,778	\$ 14,075,006	\$ 8,370,772

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

D. Other post-employment benefit plan (continued)

10. Sensitivity of the OPEB liability to changes in the discount rate

The following presents the OPEB liability, as well as what the OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current discount rate:

	<u>1%</u> <u>Decrease</u>	<u>Current</u> <u>Discount Rate</u>	<u>1%</u> <u>Increase</u>
OPEB Liability	<u>\$ 10,897,185</u>	<u>\$ 8,370,772</u>	<u>\$ 6,212,421</u>

11. Sensitivity of the OPEB liability to changes in the healthcare cost trend rate

The following presents the OPEB liability, as well as what the OPEB liability would be if it were calculated using trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current trend rates:

	<u>1%</u> <u>Decrease</u>	<u>Current</u> <u>Health Care</u> <u>Trend Rates</u>	<u>1%</u> <u>Increase</u>
OPEB Liability	<u>\$ 5,675,651</u>	<u>\$ 8,370,772</u>	<u>\$ 11,646,788</u>

12. OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB

For the fiscal year the Town recognized OPEB expense of \$1,011,935. The Town reported deferred outflows and inflows of resources related to OPEB from the following sources:

<u>Description of Outflows/Inflows</u>	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>
Differences between expected and actual experience	\$ 44,684	\$ (6,856,995)
Changes in assumptions	300,059	-
Net difference between projected and actual earnings on OPEB plan investments	<u>-</u>	<u>(189,559)</u>
Total	<u>\$ 344,743</u>	<u>\$ (7,046,554)</u>
Net amount of deferred inflows and outflows		<u>\$ (6,701,811)</u>

Changes in assumptions and differences between expected and actual experience are amortized over 12 years. Differences between projected and actual earnings are amortized over 5 years.

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

D. Other post-employment benefit plan (continued)

Amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30,	
2020	\$ (690,454)
2021	(690,452)
2022	(603,425)
2023	(586,240)
2024	(595,253)
Thereafter	<u>(3,535,987)</u>
Total	<u>\$ (6,701,811)</u>

E. Connecticut State Teachers' Retirement Board Retiree Health Insurance Plan

1. Plan description

Teachers, principals, superintendents, supervisors and professional employees at State schools of higher education if they choose to be covered that are currently receiving a retirement or disability benefit are eligible to participate in the Connecticut State Teachers' Retirement System Retiree Health Insurance Plan ("TRS-RHIP") - a cost sharing multiple-employer defined benefit other post-employment benefit plan administered by the Teachers' Retirement Board ("TRB"). Chapter 167a Section 10-183t of the State Statutes grants authority to establish and amend the benefit terms to the TRB. TRS-RHIP issues a publicly available financial report that can be obtained at www.ct.gov/trb.

2. Benefit provisions

The Plan provides for retiree health insurance benefits. Eligibility is as follows:

- **Normal Retirement:** Eligibility - Age 60 with 20 years of Credited Service in Connecticut, or 35 years of Credited Service including at least 25 years of service in Connecticut.
- **Early Retirement:** Eligibility - 25 years of Credited Service including 20 years of Connecticut service, or age 55 with 20 years of Credited Service including 15 years of Connecticut service.
- **Proratable Retirement:** Eligibility - Age 60 with 10 years of Credited Service.

Town of New Canaan, Connecticut

**Notes to Financial Statements
As of and for the Year Ended June 30, 2019**

**E. Connecticut State Teachers' Retirement Board Retiree Health Insurance Plan
(continued)**

- **Disability Retirement:** Eligibility - 5 years of Credited Service in Connecticut if not incurred in the performance of duty and no service requirement if incurred in the performance of duty.
- **Termination of Employment:** Eligibility - 10 or more years of Credited Service.

Retiree health care coverage

Any member that is currently receiving a retirement or disability benefit is eligible to participate in the Plan. There are two types of the health care benefits offered through the system. Subsidized Local School District Coverage provides a subsidy paid to members still receiving coverage through their former employer and the CTRB Sponsored Medicare Supplemental Plans provide coverage for those participating in Medicare, but not receiving Subsidized Local School District Coverage.

Any member that is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to \$110 per month for a retired member plus an additional \$110 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, any remaining portion is used to offset the district's cost. The subsidy amount is set by statute, and has not increased since July of 1996. A subsidy amount of \$220 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost, and contributes at least \$220 per month towards coverage under a local school district plan.

Any member that is currently participating in Medicare Parts A & B is eligible to either continue health care coverage with their former employer, if offered, or enroll in the plan sponsored by the System. If they elect to remain in the plan with their former employer, the same subsidies as above will be paid to offset the cost of coverage.

If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplemental Plans. Active members, retirees, and the State pay equally toward the cost of the basic coverage (medical and prescription drug benefits).

Those participants electing vision, hearing, and/or dental are required by the System's funding policy to pay the full cost of coverage for these benefits, and no liability is assumed by the Plan for these benefits.

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

E. Connecticut State Teachers' Retirement Board Retiree Health Insurance Plan (continued)

Survivor health care coverage

Survivors of former employees or retirees remain eligible to participate in the Plan and continue to be eligible to receive either the \$110 monthly subsidy or participate in the TRB-Sponsored Medicare Supplemental Plans, as long as they do not remarry.

3. Contributions

State of Connecticut

Per Connecticut General Statutes Section 10-183z, contribution requirements of active employees and the State of Connecticut are amended and certified by the State Teachers' Retirement Board and appropriated by the General Assembly. The State contributions are not currently actuarially funded. The State appropriates from the General Fund one third of the annual costs of the Plan. Administrative costs of the Plan are financed by the State. Based upon Chapter 167a, Subsection D of Section 10-183t of the Connecticut statutes, it is assumed the State will pay for any long-term shortfall arising from insufficient active member contributions.

Employer (School Districts)

School district employers are not required to make contributions to the plan.

Employees

Each member is required to contribute 1.25% of their annual salary.

4. OPEB liabilities, OPEB expense, deferred outflows of resources and deferred inflows of resources related to OPEB

The Town reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows due to the statutory requirement that the State pay 100% of the required contribution. The amounts recognized by the Town as its proportionate share of the net OPEB liability, the related state support, and the total portion of the net OPEB liability that was associated with the Town were as follows:

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

E. Connecticut State Teachers' Retirement Board Retiree Health Insurance Plan (continued)

Town's proportionate share of the collective net OPEB liability	\$ -
State of Connecticut's proportionate share of the net OPEB liability associated with the Town	<u>26,774,353</u>
Total	<u>\$ 26,774,353</u>

The net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2018. The Town has no proportionate share of the net OPEB liability.

The Town recognized OPEB expense and revenue of \$8,894,424 for on-behalf amounts for the benefits provided by the State.

5. Actuarial assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2016, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Health care cost trend rate	5.00% decreasing to 4.75% by 2028
Salary increases	3.25-6.50%, including inflation
Investment rate of return	3.87%, net of OPEB plan investment expense, including inflation
Year fund net position will be depleted	2019

Mortality rates were based on the RP-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2010 - June 30, 2015.

Changes in assumptions and inputs

As a result of the experience study for the five-year period ending June 30, 2015:

- The payroll growth rate assumption was decreased from 3.75% to 3.25% to reflect the decrease in the rate of inflation and the decrease in the rate of real wage increase.
- The demographic assumptions of salary growth, payroll growth, the rates of withdrawal, the rates of retirement, the rates of mortality, and the rates of disability incidence were adjusted based upon the experience study's findings and their adoption by the Board.

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

E. Connecticut State Teachers' Retirement Board Retiree Health Insurance Plan (continued)

- The discount rate has been increased from 3.56% to 3.87% based upon the increase in the municipal bond index.

Additionally, the assumed initial per capita health care costs, the assumed rates of healthcare inflation used to project the per capita costs, and the participation assumptions have been revised.

Long-term expected rate of return

The long-term expected rate of return on OPEB plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

All the plan assets are assumed to be invested in cash equivalents due to the need for liquidity. The expected rate of return is 3.00%.

Affordable Care Act (ACA)

The impact of the Affordable Care Act (ACA) was addressed in this valuation. Review of the information currently available did not identify any specific provisions of the ACA that are anticipated to significantly impact results. While the impact of certain provisions such as the excise tax on high-value health insurance plans beginning in 2020 (if applicable), mandated benefits and participation changes due to the individual mandate should be recognized in the determination of liabilities, overall future plan costs and the resulting liabilities are driven by amounts employers and retirees can afford (i.e., trend). The trend assumption forecasts the anticipated increase to initial per capita costs, taking into account health care cost inflation, increases in benefit utilization, plan changes, government-mandated benefits, and technological advances.

Given the uncertainty regarding the ACA's implementation (e.g., the impact of excise tax on high-value health insurance plans, changes in participation resulting from the implementation of state-based health insurance exchanges), continued monitoring of the ACA's impact on the Plan's liability will be required.

6. Discount rate

The discount rate used to measure the total OPEB liability was 3.87%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate.

Town of New Canaan, Connecticut

**Notes to Financial Statements
As of and for the Year Ended June 30, 2019**

**E. Connecticut State Teachers' Retirement Board Retiree Health Insurance Plan
(continued)**

7. Sensitivity of the OPEB liability to changes in the discount rate and the health care cost trend rate

The Town's proportionate share of the net OPEB liability is \$0 and, therefore, the change in the discount rate would only impact the amount recorded by the State of Connecticut.

8. Plan fiduciary net position

Detailed information about the Connecticut State Teachers' OPEB Plan fiduciary net position is available in the separately issued State of Connecticut Comprehensive Annual Financial Report as of and for the year ended June 30, 2018.

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

F. Plan statements

Combining Statement of Fiduciary Net Position
Pension and OPEB Trust Funds
June 30, 2019

	Defined Benefit Pension Trust	Other Post Employment Benefits Trust Fund	Total
<u>Assets</u>			
Investments:			
Mutual funds:			
U.S. equity	\$ 61,413,846	\$ 6,117,279	\$ 67,531,125
International equity	31,827,516	2,991,227	34,818,743
Bond	49,687,586	4,967,625	54,655,211
Total investments	142,928,948	14,076,131	157,005,079
Due from other funds	781	-	781
Total assets	142,929,729	14,076,131	157,005,860
<u>Liabilities</u>			
Accrued payroll	1,461	-	1,461
Due to other funds	-	1,125	1,125
Total liabilities	1,461	1,125	2,586
<u>Net Position</u>			
Restricted for:			
Pension	142,928,268	-	142,928,268
OPEB	-	14,075,006	14,075,006
Total net position	\$ 142,928,268	\$ 14,075,006	\$ 157,003,274

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

F. Plan statements (continued)

Combining Statement of Changes In Fiduciary Net Position
Pension and OPEB Trust Funds
For the Year Ended June 30, 2019

	Defined Benefit Pension Trust	Other Post Employment Benefits Trust Fund	Total
Additions:			
Contributions:			
Employer	\$ 1,319,772	\$ 1,589,891	\$ 2,909,663
Teachers' Retirement System	-	96,261	96,261
Plan members	605,533	39,351	644,884
Total contributions	1,925,305	1,725,503	3,650,808
Investment income (loss):			
Change in fair value of investments	5,699,387	555,514	6,254,901
Interest and dividends	3,462,282	333,005	3,795,287
Total investment income (loss)	9,161,669	888,519	10,050,188
Less investment expenses	96,886	6,582	103,468
Net investment income (loss)	9,064,783	881,937	9,946,720
Total additions	10,990,088	2,607,440	13,597,528
Deductions:			
Benefits	6,294,510	1,186,152	7,480,662
Administration	145,730	12,584	158,314
Total deductions	6,440,240	1,198,736	7,638,976
Change in net position	4,549,848	1,408,704	5,958,552
Net position - July 1, 2018	138,378,420	12,666,302	151,044,722
Net position - June 30, 2019	\$ 142,928,268	\$ 14,075,006	\$ 157,003,274

Town of New Canaan, Connecticut
Notes to Financial Statements
As of and for the Year Ended June 30, 2019

VI. Prior period adjustment

The government-wide net position and fund balances were restated as a result of the implementation of GASB 84.

	Private Purpose Trust Funds	Custodial Funds
Net position/fund balance as previously reported at June 30, 2018	\$ 1,224,832	\$ 382,327
To reclassify funds as a result of the implementation of GASB 84		
Marcely Scholarship Fund	(1,174,705)	1,174,705
Various Scholarships Fund	(50,127)	50,127
Net position/fund balance as restated at July 1, 2018	\$ -	\$ 1,607,159

**Required
Supplementary
Information**

Town of New Canaan, Connecticut

Required Supplementary Information
Schedule of Revenues, Expenditures, and Other Financing Sources and Uses
Budget and Actual (Budgetary Basis) - General Fund
For the Year Ended June 30, 2019

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget
Revenues					
Tax - current year					
Tax collections	\$140,020,729	\$ -	\$140,020,729	\$ 141,177,552	\$ 1,156,823
Tax- other than levy					
Tax collections - prior years	350,000	-	350,000	198,988	(151,012)
Lien fees and interest	300,000	-	300,000	326,864	26,864
Total tax-other than levy	650,000	-	650,000	525,852	(124,148)
Intergovernmental					
Road maintenance	-	-	-	331,951	331,951
State grants	200	-	200	27,825	27,625
BOE excess cost grant	1,000,000	-	1,000,000	917,132	(82,868)
State reimbursement school project	73,766	-	73,766	-	(73,766)
Educational cost sharing grant	-	-	-	380,314	380,314
Renters rebate grant offset	(13,000)	-	(13,000)	-	13,000
CT Judicial revenue distribution	35,000	-	35,000	27,521	(7,479)
School H&W reimbursements	14,500	-	14,500	15,496	996
School security infrastructure	-	-	-	121,679	121,679
Other state grants	-	-	-	109,745	109,745
Total intergovernmental	1,110,466	-	1,110,466	1,931,663	821,197
Charges for services					
Fees and charges for services					
Transfer station dump fees	30,000	-	30,000	53,271	23,271
Transfer station tipping fees	445,000	-	445,000	401,445	(43,555)
Transfer station recycling	35,785	-	35,785	60,093	24,308
Transfer station sticker fees	140,000	-	140,000	103,230	(36,770)
Field usage fees	74,000	-	74,000	26,783	(47,217)
Concessions & commissions	6,000	-	6,000	5,000	(1,000)
Testing & hiring application fees	6,855	-	6,855	-	(6,855)
State telephone line grant	67,513	-	67,513	54,244	(13,269)
Zoning board of appeals fees	6,000	-	6,000	4,000	(2,000)
Vital statistics fees	18,000	(1,000)	17,000	22,630	5,630
Marriage license fees	-	1,000	1,000	1,040	40
Flu clinics	8,000	-	8,000	9,953	1,953
Senior citizens program	122,000	-	122,000	113,039	(8,961)
Park and recreation fees	180,000	-	180,000	157,847	(22,153)
Planning and zoning application fees	13,000	-	13,000	17,000	4,000
Inland wetland application/violation fees	35,000	-	35,000	38,070	3,070
Dog park fees	18,750	-	18,750	8,855	(9,895)
Recording fees	90,000	-	90,000	56,732	(33,268)
MERS fees	40,000	-	40,000	33,310	(6,690)
Notary fees	340	-	340	775	435
Other classes & programs offset	485,000	-	485,000	449,829	(35,171)
Trade names	290	-	290	690	400
Senior program lunches	2,250	-	2,250	-	(2,250)
Miscellaneous income - finance	-	-	-	14,569	14,569
Miscellaneous income - town clerk	970	-	970	1,242	272
Conveyance fees	1,350,000	-	1,350,000	1,100,354	(249,646)
Fingerprint fees	6,750	-	6,750	6,945	195
Total fees and charges for services	3,181,503	-	3,181,503	2,740,946	(440,557)

(Continued)

Town of New Canaan, Connecticut

Required Supplementary Information
Schedule of Revenues, Expenditures, and Other Financing Sources and Uses
Budget and Actual (Budgetary Basis) - General Fund
For the Year Ended June 30, 2019

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget
Licenses and permits					
Amusement permits	\$ 200	\$ -	\$ 200	\$ 230	\$ 30
Refuse & septic inspections	4,300	-	4,300	4,200	(100)
Restaurant permits	30,000	-	30,000	35,295	5,295
Barbers & salons	3,000	-	3,000	4,575	1,575
Liquor licenses	60	-	60	560	500
Sales of codes and regulations	6,000	-	6,000	5,440	(560)
Building permits	900,000	-	900,000	880,766	(19,234)
Dog license clerk fees	3,000	-	3,000	2,757	(243)
Driveway permits	500	-	500	1,750	1,250
Pistol permits	4,000	-	4,000	2,530	(1,470)
Septic permits	45,000	-	45,000	32,675	(12,325)
Sewer connection permits	100	-	100	600	500
Well permits	3,500	-	3,500	4,650	1,150
Street opening permits	20,000	-	20,000	56,912	36,912
Zoning permits	65,000	-	65,000	74,285	9,285
Health permits	40,000	-	40,000	60,650	20,650
Total licenses and permits	1,124,660	-	1,124,660	1,167,875	43,215
Fines and forfeitures					
Parking tickets	346,000	-	346,000	331,052	(14,948)
False alarm fines	30,000	-	30,000	28,200	(1,800)
Total fines and forfeitures	376,000	-	376,000	359,252	(16,748)
Use of money and property					
Rental of property - finance	172,270	-	172,270	256,998	84,728
Rental of property - recreation	5,000	-	5,000	4,750	(250)
Rental of property - Waveny	63,400	-	63,400	110,077	46,677
Waveny custodial fees	1,250	-	1,250	2,950	1,700
Parking meters	340,000	-	340,000	282,097	(57,903)
Parking permit waiting fees	8,000	-	8,000	5,270	(2,730)
Parking-day passes	14,000	-	14,000	7,252	(6,748)
Parking permits	630,000	-	630,000	667,792	37,792
Copier revenue - finance	8,000	-	8,000	4,896	(3,104)
Copier revenue - town clerk	8,200	-	8,200	6,826	(1,374)
Copier revenue - police	1,400	-	1,400	2,138	738
Paddle tennis fees	37,000	-	37,000	46,210	9,210
Parking - Box Car	-	-	-	17,956	17,956
Total use of money and property	1,288,520	-	1,288,520	1,415,212	126,692
Reimbursements and refunds					
Workers comp offset	60,000	-	60,000	235,671	175,671
LOCIP	106,401	-	106,401	-	(106,401)
Legal reimbursement	-	-	-	24,011	24,011
Member equity	-	-	-	115,070	115,070
DEEP admin cost revenue - P&Z	800	-	800	1,758	958
NSF fees	100	-	100	202	102
Total reimbursements and refunds	167,301	-	167,301	376,712	209,411
Total charges for services	6,137,984	-	6,137,984	6,059,997	(77,987)

(Continued)

Town of New Canaan, Connecticut

Required Supplementary Information
Schedule of Revenues, Expenditures, and Other Financing Sources and Uses
Budget and Actual (Budgetary Basis) - General Fund
For the Year Ended June 30, 2019

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget
Investment income					
Interest on investments	\$ 500,000	\$ -	\$ 500,000	\$ 1,324,672	\$ 824,672
Net change in fair value	-	-	-	161,336	161,336
Total investment income	500,000	-	500,000	1,486,008	986,008
Total revenues	148,419,179	-	148,419,179	151,181,072	2,761,893
Other financing sources					
Transfers in					
Facilities rental fund	10,000	-	10,000	10,000	-
State and federal educational grant fund	-	-	-	226,181	226,181
Sale of capital assets	10,000	-	10,000	22,462	12,462
Appropriation of fund balance	2,500,000	689,070	3,189,070	-	(3,189,070)
Total other financing sources	2,520,000	689,070	3,209,070	258,643	(2,950,427)
Total revenues and other financing sources	150,939,179	689,070	151,628,249	151,439,715	(188,534)
Expenditures					
General government					
First Selectman	490,083	18,150	508,233	502,492	5,741
Town Clerk	434,329	(1,000)	433,329	404,419	28,910
Finance	1,095,850	30,748	1,126,598	1,001,209	125,389
Tax Assessor	338,721	6,000	344,721	338,265	6,456
Tax Collector	243,963	-	243,963	223,624	20,339
Legal	355,000	(34,300)	320,700	302,448	18,252
Human resources	380,418	16,255	396,673	391,733	4,940
Information technology	395,036	15,500	410,536	365,438	45,098
Registrar of voters	136,210	8,000	144,210	139,849	4,361
Health and security benefits	5,168,042	37,000	5,205,042	5,192,655	12,387
Insurance liability	1,625,000	-	1,625,000	1,387,047	237,953
Pension & OPEB contributions	1,819,771	1	1,819,772	1,819,772	-
Parking	464,153	-	464,153	441,326	22,827
Total general government	12,946,576	96,354	13,042,930	12,510,277	532,653
Public safety and protection					
Police	6,466,313	-	6,466,313	6,185,895	280,418
Animal control	113,426	-	113,426	103,616	9,810
Fire	3,838,204	-	3,838,204	3,732,755	105,449
Ambulance	553,798	-	553,798	551,650	2,148
Emergency management	34,314	-	34,314	25,836	8,478
Land-use	1,358,743	(48,644)	1,310,099	1,250,871	59,228
Total public safety and protection	12,364,798	(48,644)	12,316,154	11,850,623	465,531

(Continued)

Town of New Canaan, Connecticut

Required Supplementary Information
Schedule of Revenues, Expenditures, and Other Financing Sources and Uses
Budget and Actual (Budgetary Basis) - General Fund
For the Year Ended June 30, 2019

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget
Public works					
Directors office	\$ 358,290	\$ (104,534)	\$ 253,756	\$ 236,659	\$ 17,097
Engineering	239,635	4,623	244,258	242,664	1,594
Town buildings	1,069,883	24,012	1,093,895	1,074,316	19,579
Highway	3,219,812	6,310	3,226,122	3,159,831	66,291
Transfer station	1,463,685	88,582	1,552,267	1,527,722	24,545
Parks	1,745,874	-	1,745,874	1,640,015	105,859
Teen center	44,204	(25,000)	19,204	17,776	1,428
Nature center	58,375	1,988	60,363	60,363	-
Utilities	478,000	-	478,000	452,885	25,115
Tree service	404,086	5,019	409,105	409,094	11
Total public works	9,081,844	1,000	9,082,844	8,821,325	261,519
Human services					
Administration	658,701	-	658,701	557,923	100,778
Recreation					
Administration and programs	1,183,352	(2,926)	1,180,426	1,060,993	119,433
Waveny house	156,583	(22)	156,561	133,322	23,239
Paddle tennis	34,998	3,068	38,066	35,800	2,266
Park buildings	201,772	-	201,772	183,176	18,596
Civic activities	25,350	-	25,350	21,432	3,918
Lapham community center	337,890	-	337,890	299,743	38,147
Pool Kiwanis operations	89,111	-	89,111	49,692	39,419
Total recreation	2,029,056	120	2,029,176	1,784,158	245,018
Board of Education	89,763,487	-	89,763,487	89,763,487	-
Library	2,274,886	-	2,274,886	2,274,886	-
Other agencies					
New Canaan Day Care Center	31,947	-	31,947	31,947	-
Health Services - Private Schools	271,047	-	271,047	267,937	3,110
Transportation Private Schools	275,686	-	275,686	258,356	17,330
Channel 79 Public Access TV	29,000	-	29,000	29,000	-
Probate Court (Darien)	12,000	-	12,000	11,977	23
Total other agencies	619,680	-	619,680	599,217	20,463
Human services agencies					
Getabout	46,000	-	46,000	46,000	-
Kids in Crisis	56,000	-	56,000	56,000	-
New Canaan Cares	17,500	-	17,500	17,500	-
Child Guidance Center	5,000	-	5,000	5,000	-
Domestic Violence Crisis Center	5,000	-	5,000	5,000	-
Meals on Wheels	5,000	-	5,000	5,000	-
Southwest Regional Mental Health Board	500	-	500	-	500
Community Program Mental Wellness	5,000	-	5,000	-	5,000
Total human services agencies	140,000	-	140,000	134,500	5,500

(Continued)

Town of New Canaan, Connecticut

Required Supplementary Information
Schedule of Revenues, Expenditures, and Other Financing Sources and Uses
Budget and Actual (Budgetary Basis) - General Fund
For the Year Ended June 30, 2019

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget
Contingency	\$ 200,000	\$ (6,000)	\$ 194,000	\$ -	\$ 194,000
Debt service	18,570,030	-	18,570,030	18,114,871	455,159
Total expenditures	148,649,058	42,830	148,691,888	146,411,267	2,280,621
Other financing uses					
Transfers out					
Tax supported capital fund	2,252,125	646,240	2,898,365	2,898,365	-
Waveny pool fund	37,996	-	37,996	37,996	-
Total other financing uses	2,290,121	646,240	2,936,361	2,936,361	-
Total expenditures and other financing uses	150,939,179	689,070	151,628,249	149,347,628	2,280,621
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses - budgetary basis	\$ -	\$ -	\$ -	\$ 2,092,087	\$ 2,092,087

Reconciliation to Exhibit 4

	Revenues	Expenditures
Budgetary Basis - RSI 1	\$151,181,072	\$146,411,267
State Teachers' Retirement on behalf amount	15,031,792	15,031,792
State Teachers' OPEB on behalf amount	8,894,424	8,894,424
Prior year encumbrances liquidated in the current year	-	246,605
Dog fund	24,055	20,199
GAAP Basis - Exhibit D	<u>\$175,131,343</u>	<u>\$170,604,287</u>

(Concluded)

Town of New Canaan, Connecticut
Notes to Required Supplementary Information
June 30, 2019

Budgets and Budgetary Accounting

Requests for annual appropriations, except for the Board of Education, are submitted not later than the third Tuesday preceding the first Tuesday in February to the Selectmen. The Selectmen shall compile a recommended budget which shall be submitted to the Board of Finance for its consideration not later than the first Tuesday of February in each year.

The Board of Education submits its preliminary budget estimates to the board of selectmen, not later than the third Tuesday preceding the first Tuesday in February, and compiles and submits its recommended budget directly to the Board of Finance, not later than the first Tuesday in February in each year.

Requests for capital expenditures are submitted to the Selectmen. The Selectmen shall submit to the Board of Finance, not later than two weeks after the first Tuesday of February, a recommended budget of such capital expenditures.

The Board of Finance shall prepare tentative budget recommendations and hold a public hearing which shall be held not later than the sixth Tuesday following the first Tuesday of February.

After the public hearing, the Board of Finance prepares and presents its recommendations to the Board of Selectmen, for submission to the Town Council.

The recommendations for appropriations prepared by the Board of Finance are delivered to the Selectmen not later than the seventh Tuesday following the first Tuesday of February.

The Town Council may approve, disapprove or reduce, but may not increase the amount of the appropriations.

The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level.

Whenever the Board of Selectmen or the First Selectman requests a special appropriation, the Board of Finance shall deliver a recommendation to the Selectmen and the Selectmen shall present the recommendation to a meeting of the Town Council.

This budget is adopted on a basis consistent with generally accepted accounting principles (modified accrual basis) with the following exceptions:

1. The Town does not recognize as revenue or expenditures payments made for the State Teacher's pension and OPEB by the State of Connecticut on the Town's behalf.
2. Encumbrances are reported as expenditures for the budgetary basis of accounting.

Town of New Canaan, Connecticut

Town Retirement Plan
Last Seven Years (1)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<u>Schedule of Changes in Net Pension Liability and Related Ratios</u>							
Total pension liability							
Service cost	\$ 2,939,320	\$ 2,826,270	\$ 2,935,269	\$ 2,695,932	\$ 2,592,242	\$ 2,868,110	\$ 2,757,798
Interest	8,740,902	8,398,655	7,717,704	7,504,642	7,352,135	7,073,402	6,775,803
Effect of plan changes	-	-	-	506,821	194,578	-	-
Differences between expected and actual experience	(1,447,770)	-	22,864	-	(2,254,962)	-	-
Changes in assumptions	(416,242)	-	1,230,675	(1,769,003)	-	-	-
Benefit payments, including refunds of member contributions	<u>(6,294,510)</u>	<u>(6,241,651)</u>	<u>(5,979,940)</u>	<u>(5,822,206)</u>	<u>(5,466,241)</u>	<u>(5,291,409)</u>	<u>(4,846,547)</u>
Net change in total pension liability	3,521,700	4,983,274	5,926,572	3,116,186	2,417,752	4,650,103	4,687,054
Total pension liability - July 1	<u>129,651,396</u>	<u>124,668,122</u>	<u>118,741,550</u>	<u>115,625,364</u>	<u>113,207,612</u>	<u>108,557,509</u>	<u>103,870,455</u>
Total pension liability - June 30 (a)	<u>\$ 133,173,096</u>	<u>\$ 129,651,396</u>	<u>\$ 124,668,122</u>	<u>\$ 118,741,550</u>	<u>\$ 115,625,364</u>	<u>\$ 113,207,612</u>	<u>\$ 108,557,509</u>
Plan fiduciary net position							
Contributions - employer	\$ 1,319,772	\$ 1,220,851	\$ 867,862	\$ 781,558	\$ 1,044,321	\$ 1,000,000	\$ 682,592
Contributions - member	605,533	580,656	524,182	420,349	321,443	282,464	298,374
Net investment income (loss)	9,064,783	9,713,540	13,373,989	1,939,230	3,599,333	18,155,372	11,184,877
Benefit payments, including refunds of member contributions	(6,294,510)	(6,241,651)	(5,979,940)	(5,822,206)	(5,466,241)	(5,291,409)	(4,846,547)
Administration	(145,730)	(24,235)	(87,966)	(91,972)	(107,428)	(104,582)	(233,500)
Net change in plan fiduciary net position	4,549,848	5,249,161	8,698,127	(2,773,041)	(608,572)	14,041,845	7,085,796
Plan fiduciary net position - July 1	<u>138,378,420</u>	<u>133,129,259</u>	<u>124,431,132</u>	<u>127,204,173</u>	<u>127,812,745</u>	<u>113,770,900</u>	<u>106,685,104</u>
Plan fiduciary net position - June 30 (b)	<u>\$ 142,928,268</u>	<u>\$ 138,378,420</u>	<u>\$ 133,129,259</u>	<u>\$ 124,431,132</u>	<u>\$ 127,204,173</u>	<u>\$ 127,812,745</u>	<u>\$ 113,770,900</u>
Net pension asset - June 30 (a)-(b)	<u>\$ (9,755,172)</u>	<u>\$ (8,727,024)</u>	<u>\$ (8,461,137)</u>	<u>\$ (5,689,582)</u>	<u>\$ (11,578,809)</u>	<u>\$ (14,605,133)</u>	<u>\$ (5,213,391)</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>107.33%</u>	<u>106.73%</u>	<u>106.79%</u>	<u>104.79%</u>	<u>110.01%</u>	<u>112.90%</u>	<u>104.80%</u>
Covered payroll	<u>\$ 20,493,850</u>	<u>\$ 22,141,000</u>	<u>\$ 21,289,231</u>	<u>\$ 22,449,000</u>	<u>\$ 21,585,538</u>	<u>\$ 24,137,000</u>	<u>\$ 23,208,282</u>
Net pension liability as a percentage of covered payroll	<u>-47.60%</u>	<u>-39.42%</u>	<u>-39.74%</u>	<u>-25.34%</u>	<u>-53.64%</u>	<u>-60.51%</u>	<u>-22.46%</u>
<u>Schedule of Investment Returns</u>							
Annual money weighted rate of return, net of investment expense	<u>6.60%</u>	<u>7.43%</u>	<u>10.90%</u>	<u>1.55%</u>	<u>2.85%</u>	<u>16.16%</u>	<u>N/A</u>

(1) These schedules are intended to present information for 10 years. Additional years will be presented as they become available.

Town of New Canaan, Connecticut

Town Retirement Plan
Schedule of Contributions
Last Ten Years

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Actuarially determined contributions	\$ 1,319,772	\$ 1,220,851	\$ 867,862	\$ 781,558	\$ 2,610,790	\$ 2,515,090	\$ 1,129,305	\$ 1,870,542	\$ 1,772,704	\$ 2,003,080
Contributions in relation to the actuarially determined contribution	<u>1,319,772</u>	<u>1,220,851</u>	<u>867,862</u>	<u>781,558</u>	<u>1,044,321</u>	<u>1,000,000</u>	<u>682,592</u>	<u>2,219,634</u>	<u>1,723,899</u>	<u>4,603,081</u>
Contribution excess (deficiency)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,566,469)</u>	<u>\$ (1,515,090)</u>	<u>\$ (446,713)</u>	<u>\$ 349,092</u>	<u>\$ (48,805)</u>	<u>\$ 2,600,001</u>
Covered payroll	<u>\$ 20,493,850</u>	<u>\$ 22,141,000</u>	<u>\$ 21,289,231</u>	<u>\$ 22,449,000</u>	<u>\$ 21,585,538</u>	<u>\$ 24,137,000</u>	<u>\$ 23,208,282</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Contributions as a percentage of covered payroll	<u>6.44%</u>	<u>5.51%</u>	<u>4.08%</u>	<u>3.48%</u>	<u>4.84%</u>	<u>4.14%</u>	<u>2.94%</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

Town of New Canaan, Connecticut

Town Retirement Plan
Notes to Required Supplementary Information
Schedule of Contributions
Last Seven Years (1)

	2019	2018	2017	2016	2015	2014	2013
Changes of Benefit Terms	None	None	None	None	None	None	None
The actuarially determined contribution rates are calculated as of	7/1/2018	7/1/2016	7/1/2016	7/1/2015	7/1/2013	7/1/2013	7/1/2013
Actuarial methods and assumptions used to determine contribution rates:							
Actuarial Cost Method	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal
Amortization Method	Level percent of salary. Amortized over 15 years on an open basis	Level percent of salary. Amortized over 15 years on an open basis	Level percent of salary. Amortized over 15 years on an open basis	Level percent of salary. Amortized over 15 years on an open basis	Level percent of salary. Amortized over 15 years on an open basis	Level percent of salary. Amortized over 15 years on an open basis	Level percent of salary. Amortized over 15 years on an open basis
Asset Valuation Method	5-year smoothing period; recognized 20% per year	5-year smoothing period; recognized 20% per year	5-year smoothing period; recognized 20% per year	5-year smoothing period; recognized 20% per year	5-year smoothing period; recognized 20% per year	5-year smoothing period; recognized 20% per year	5-year smoothing period; recognized 20% per year
Inflation	2.75%	2.75%	2.75%	3.00%	1.25%	1.25%	1.25%
Salary Increases	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Investment Rate of Return	6.75%	6.75%	6.75%	Blended at 6.5% through 2020 then 7.0% thereafter	Blended at 6.5% through 2020 then 7.0% thereafter	Blended at 6.5% through 2020 then 7.0% thereafter	Blended at 6.5% through 2020 then 7.0% thereafter
Mortality Rate	RP-2014 projected to the valuation date with Scale MP-2018	RP-2014 projected to the valuation date with Scale MP-2016	RP-2014 projected to the valuation date with Scale MP-2016	RP-2000 fully projected with separate male and female tables	RP-2000 fully projected with separate male and female tables	RP-2000 fully projected with separate male and female tables	RP-2000 fully projected with separate male and female tables

(1) These schedules are intended to present information for 10 years. Additional years will be presented as they become available.

Town of New Canaan, Connecticut
Connecticut State Teachers' Retirement System
Last Five Years (3)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Schedule of Proportionate Share of the Net Pension Liability					
Town's proportion of the net pension liability	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Town's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -
State of Connecticut's proportionate share of the net pension liability associated with the Town	<u>133,934,601</u>	<u>131,580,108</u>	<u>138,818,045</u>	<u>107,096,225</u>	<u>98,988,998</u>
Total	<u>\$133,934,601</u>	<u>\$131,580,108</u>	<u>\$138,818,045</u>	<u>\$107,096,225</u>	<u>\$ 98,988,998</u>
Town's covered payroll	(2) <u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Town's proportionate share of the net pension liability as a percentage of its covered payroll	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>57.69%</u>	<u>55.93%</u>	<u>52.26%</u>	<u>59.50%</u>	<u>61.51%</u>

Schedule of Contributions

Contractually required contribution	(1) \$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	(2) <u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Contributions as a percentage of covered payroll	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>

(1) Local employers are not required to contribute to the plan.

(2) Not applicable since 0% proportional share of the net pension liability

(3) These schedules are intended to present information for 10 years. Additional years will be presented as they become available.

Town of New Canaan, Connecticut
Connecticut State Teachers' Retirement System
Notes to Required Supplementary Information
Schedule of Contributions
Last Five Years (1)

	2019	2018	2017	2016	2015
Changes of Benefit Terms	Beginning January 2, 2018, member contributions increased from 6% to 7% of salary	None	None	None	None
The actuarially determined contribution rates are calculated as of	7/1/2018	7/1/2016	7/1/2016	7/1/2014	7/1/2014
Actuarial methods and assumptions used to determine contribution rates:					
Actuarial Cost Method	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal
Amortization Method	Level percent of salary, closed	Level percent of salary, closed	Level percent of salary, closed	Level percent of salary, closed	Level percent of salary, closed
Remaining Amortization Period	17.6 years	20.4 years	20.4 years	21.4 years	22.4 years
Asset Valuation Method	4 year smoothed market	4 year smoothed market	4 year smoothed market	4 year smoothed market	4 year smoothed market
Inflation	2.75%	2.75%	2.75%	3.00%	3.00%
Salary Increases	3.25%-6.50%, average, including inflation	3.25%-6.50%, average, including inflation	3.25%-6.50%, average, including inflation	3.75%-7.00%, average, including inflation	3.75%-7.00%, average, including inflation
Investment Rate of Return	8.00%, net of pension plan investment expense, including inflation	8.00%, net of pension plan investment expense, including inflation	8.00%, net of pension plan investment expense, including inflation	8.50%, net of pension plan investment expense, including inflation	8.50%, net of pension plan investment expense, including inflation
Mortality	RP-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale and further adjusted to grade in increases (5% for females and 8% for males) to rates over age 80. For disabled retirees, the RPH-2014 Disabled Mortality table projected to 2017 using the BB improvement scale	RP-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale and further adjusted to grade in increases (5% for females and 8% for males) to rates over age 80. For disabled retirees, the RPH-2014 Disabled Mortality table projected to 2017 using the BB improvement scale	RP-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale and further adjusted to grade in increases (5% for females and 8% for males) to rates over age 80. For disabled retirees, the RPH-2014 Disabled Mortality table projected to 2017 using the BB improvement scale	RP-2000 Combined Mortality Table projected 19 years using scale AA, with a two year setback for males and females for the period after service retirement and for dependent beneficiaries.	RP-2000 Combined Mortality Table projected 19 years using scale AA, with a two year setback for males and females for the period after service retirement and for dependent beneficiaries.

(1) This schedule is intended to present information for 10 years. Additional years will be presented as they become available

Town of New Canaan, Connecticut
Other Post-Employment Benefit (OPEB) Plan
Last Three Years (1)

Schedule of Changes in OPEB Liability

	2019	2018	2017
OPEB liability			
Service cost	\$ 850,205	\$ 823,444	\$ 797,524
Interest	1,902,210	1,812,172	1,719,592
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(7,361,894)	(144,196)	70,970
Changes in assumptions	327,337	-	-
Benefit payments, including refunds of member contributions	(1,186,152)	(1,182,487)	(1,300,481)
Net Change in total OPEB liability	(5,468,294)	1,308,933	1,287,605
OPEB liability - July 1	27,914,072	26,605,139	25,317,534
OPEB liability - June 30 (a)	\$ 22,445,778	\$ 27,914,072	\$ 26,605,139
Plan fiduciary net position			
Contributions - employer	\$ 1,589,891	\$ 1,575,960	\$ 1,740,902
Contributions - member	39,351	37,581	36,375
Contributions - Teachers' Retirement System	96,261	106,527	59,579
Net investment income (loss)	881,937	864,143	1,103,293
Benefit payments, including refunds of member contributions	(1,186,152)	(1,182,487)	(1,300,481)
Administration	(12,584)	(584)	(18,000)
Net change in plan fiduciary net position	1,408,704	1,401,140	1,621,668
Plan fiduciary net position - July 1	12,666,302	11,265,162	9,643,494
Plan fiduciary net position - June 30 (b)	14,075,006	12,666,302	11,265,162
Net pension liability - June 30 (a)-(b)	\$ 8,370,772	\$ 15,247,770	\$ 15,339,977
Plan fiduciary net position as a percentage of the total OPEB liability	62.71%	45.38%	42.34%
Covered payroll	\$ 57,623,774	\$ 54,352,121	\$ 52,641,279
Net OPEB liability as a percentage of covered payroll	14.53%	28.05%	29.14%

Schedule of Investment Returns

Annual money weighted rate of return, net of investment expense	6.71%	7.36%	10.91%
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(1) This schedule is intended to present information for 10 years. Additional years will be presented as they become available.

Town of New Canaan, Connecticut

**Other Post-Employment Benefit (OPEB) Plan
Schedule of Contributions
Last Ten Years**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Actuarially determined contributions	\$ 2,062,462	\$ 2,035,960	\$ 2,578,301	\$ 2,505,269	\$ 2,744,420	\$ 2,666,479	\$ 1,922,475	\$ 1,870,542	\$ 1,772,704	\$ 2,003,080
Contributions in relation to the actuarially determined contribution	<u>1,589,891</u>	<u>1,575,960</u>	<u>1,740,902</u>	<u>1,357,099</u>	<u>1,599,484</u>	<u>1,766,512</u>	<u>1,598,090</u>	<u>2,219,634</u>	<u>1,723,899</u>	<u>4,603,081</u>
Contribution excess (deficiency)	<u>\$ (472,571)</u>	<u>\$ (460,000)</u>	<u>\$ (837,399)</u>	<u>\$ (1,148,170)</u>	<u>\$ (1,144,936)</u>	<u>\$ (899,967)</u>	<u>\$ (324,385)</u>	<u>\$ 349,092</u>	<u>\$ (48,805)</u>	<u>\$ 2,600,001</u>
Covered payroll	<u>\$ 57,623,774</u>	<u>\$ 54,352,121</u>	<u>\$ 52,641,279</u>	<u>\$ 52,427,000</u>	<u>\$ 52,427,000</u>	<u>\$ 50,969,000</u>	<u>\$ 50,969,000</u>	<u>\$ 51,918,000</u>	<u>\$ 51,918,000</u>	<u>\$ 49,491,000</u>
Contributions as a percentage of covered payroll	<u>2.76%</u>	<u>2.90%</u>	<u>3.31%</u>	<u>2.59%</u>	<u>3.05%</u>	<u>3.47%</u>	<u>3.14%</u>	<u>4.28%</u>	<u>3.32%</u>	<u>9.30%</u>

Town of New Canaan, Connecticut

Other Post-Employment Benefit (OPEB) Plan
Notes to Required Supplementary Information
Schedule of Contributions
Last Six Years (1)

	2019	2018	2017	2016	2015	2014
Changes of Benefit Terms	None	None	None	None	None	None
The actuarially determined contribution rates are calculated as of	7/1/2018	7/1/2016	7/1/2016	7/1/2014	7/1/2014	7/1/2012
Actuarial methods and assumptions used to determine contribution rates:						
Actuarial Cost Method	Entry age normal	Entry age normal	Entry age normal	Projected unit credit	Projected unit credit	Projected unit credit
Amortization Method	Level percentage of salary	Level percentage of salary	Level percentage of salary	Level dollar	Level dollar	Level dollar
Asset Valuation Method	Market value	Market value	Market value	Market value	Market value	Market value
Inflation	2.75%	2.75%	2.75%	N/A	N/A	N/A
Salary Increases	4.00%	4.00%	4.00%	N/A	N/A	N/A
Investment Rate of Return	6.75%	6.75%	6.75%	7.00%	7.00%	7.00%
Mortality Rate	RP-2014 projected to the valuation date with Scale MP-2018 for projections for the current year.	RP-2014 projected to the valuation date with Scale MP-2016 for projections for the current year.	RP-2014 projected to the valuation date with Scale MP-2016 for projections for the current year.	RP-2000 Mortality table, projected to the valuation date with Scale AA or as used in the Connecticut State Teachers' Retirement System 2010 OPEB valuation.	RP-2000 Mortality table, projected to the valuation date with Scale AA or as used in the Connecticut State Teachers' Retirement System 2010 OPEB valuation.	RP-2000 Mortality table, projected to the valuation date with Scale AA or as used in the Connecticut State Teachers' Retirement System 2010 OPEB valuation.

(1) These schedules are intended to present information for 10 years. Additional years will be presented as they become available.

Town of New Canaan, Connecticut

Connecticut State Teachers' Retirement Board Retiree Health Insurance Plan
Last Two Years (3)

	<u>2019</u>	<u>2018</u>
<u>Schedule of Proportionate Share of the Net OPEB Liability</u>		
Town's proportion of the net OPEB liability	<u>0.00%</u>	<u>0.00%</u>
Town's proportionate share of the collective net OPEB liability	\$ -	\$ -
State of Connecticut's proportionate share of the net OPEB liability associated with the Town	<u>26,774,353</u>	<u>33,867,227</u>
Total	<u>\$ 26,774,353</u>	<u>\$ 33,867,227</u>
Town's covered payroll	(2) <u>N/A</u>	<u>N/A</u>
Town's proportionate share of the net OPEB liability as a percentage of its covered payroll	<u>0.00%</u>	<u>0.00%</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>1.49%</u>	<u>1.79%</u>

Schedule of Contributions

Contractually required contribution	(1) \$ -	\$ -
Contributions in relation to the contractually required contribution	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	(2) <u>N/A</u>	<u>N/A</u>
Contributions as a percentage of covered payroll	<u>0.00%</u>	<u>0.00%</u>

(1) Local employers are not required to contribute to the plan

(2) Not applicable since 0% proportional share of the net OPEB liability

(3) These schedules are intended to present information for 10 years. Additional years will be presented as they become available.

Town of New Canaan, Connecticut
Connecticut State Teachers' Retirement Board Retiree Health Insurance Plan
Notes to Required Supplementary Information
Schedule of Contributions
Last Two Years (1)

	2019	2018
Changes of Benefit Terms	None	None
The actuarially determined contribution rates are calculated as of	7/1/2018	7/1/2016
Actuarial methods and assumptions used to determine contribution rates:		
Actuarial Cost Method	Entry age normal	Entry age normal
Amortization Method	Level percentage, open	Level percentage, open
Amortization Period	30 years	30 years
Asset Valuation Method	Fair Value	Fair Value
Inflation	2.75%	2.75%
Healthcare Inflation Rate	Initial 7.25% decreasing to 5.00% (ultimate) by 2022	Initial 7.25% decreasing to 5.00% (ultimate) by 2022
Salary Increases	3.25% to 6.50%, including inflation	3.25% to 6.50%, including inflation
Investment Rate of Return	3.00%	4.25%
Mortality Rate	RP-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale and further adjusted to grade in increases (5% for females and 8% for males) to rates over age 80. For disabled retirees, the RPH-2014 Disabled Mortality table projected to 2017 using the BB improvement scale.	RP-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale and further adjusted to grade in increases (5% for females and 8% for males) to rates over age 80. For disabled retirees, the RPH-2014 Disabled Mortality table projected to 2017 using the BB improvement scale.

(1) These schedules are intended to present information for 10 years. Additional years will be presented as they become available.

Supplemental Schedules

General Fund

The general fund is the principal fund of the Town and is used to account for all activities of the Town, except those required to be accounted for in another fund. The general fund accounts for the normal recurring activities of the Town (i.e., general government, public safety, public works, health, social services, recreation, education, etc.). These activities are funded principally by property taxes, user fees and grants from other governmental units.

Town of New Canaan, Connecticut

Schedule of Revenues, Expenditures, Other Financing Sources/Uses and Changes in Fund Balance
Current and Prior Year Actual (Budgetary Basis) - General Fund
For the Year Ended June 30, 2019

	Actual Budget Basis		Variance with Prior Year
	Prior Year	Current Year	
Revenues			
Tax - current year			
Tax collections	\$ 138,070,569	\$ 141,177,552	\$ 3,106,983
Tax- other than levy			
Tax collections - prior years	402,057	198,988	(203,069)
Lien fees and interest	291,666	326,864	35,198
Total tax-other than levy	693,723	525,852	(167,871)
Intergovernmental			
Road maintenance	332,065	331,951	(114)
State grants	6,910	27,825	20,915
BOE excess cost grant	1,080,156	917,132	(163,024)
State reimbursement school project	237,180	-	(237,180)
Educational cost sharing grant	357,804	380,314	22,510
CT Judicial revenue distribution	-	27,521	27,521
School H&W reimbursements	-	15,496	15,496
School security infrastructure	-	121,679	121,679
Casino revenue sharing	8,816	-	(8,816)
Other state grants	-	109,745	109,745
Total intergovernmental	2,022,931	1,931,663	(91,268)
Charges for services			
Fees and charges for services			
Transfer station dump fees	54,189	53,271	(918)
Transfer station tipping fees	412,809	401,445	(11,364)
Transfer station recycling	55,040	60,093	5,053
Transfer station sticker fees	131,220	103,230	(27,990)
Field usage fees	57,280	26,783	(30,497)
Concessions & commissions	5,000	5,000	-
State telephone line grant	55,239	54,244	(995)
Zoning board of appeals fees	6,400	4,000	(2,400)
Vital statistics fees	22,301	22,630	329
Marriage license fees	88	1,040	952
Flu clinics	9,155	9,953	798
Senior citizens program	112,227	113,039	812
Park and recreation fees	120,527	157,847	37,320
Planning and zoning application fees	11,900	17,000	5,100
Inland wetland application/violation fees	42,010	38,070	(3,940)
Dog park fees	20,110	8,855	(11,255)
Recording fees	73,516	56,732	(16,784)
MERS fees	31,770	33,310	1,540
Notary fees	309	775	466
Other classes & programs offset	452,055	449,829	(2,226)
Trade names	90	690	600
Miscellaneous income/adjustments	165,260	15,811	(149,449)
Conveyance fees	1,275,492	1,100,354	(175,138)
Fingerprint fees	6,100	6,945	845
Total fees and charges for services	3,120,087	2,740,946	(379,141)

(Continued)

Town of New Canaan, Connecticut

Schedule of Revenues, Expenditures, Other Financing Sources/Uses and Changes in Fund Balance
Current and Prior Year Actual (Budgetary Basis) - General Fund
For the Year Ended June 30, 2019

	Actual Budget Basis		Variance with Prior Year
	Prior Year	Current Year	
Licenses and permits			
Amusement permits	\$ 406	\$ 230	\$ (176)
Refuse & septic inspections	4,100	4,200	100
Restaurant permits	36,050	35,295	(755)
Barbers & salons	4,025	4,575	550
Liquor licenses	54	560	506
Sales of codes and regulations	6,112	5,440	(672)
Building permits	841,005	880,766	39,761
Dog license clerk fees	2,984	2,757	(227)
Blasting permit fees	180	-	(180)
Driveway permits	2,050	1,750	(300)
Pistol permits	3,430	2,530	(900)
Septic permits	49,200	32,675	(16,525)
Sewer connection permits	800	600	(200)
Well permits	8,900	4,650	(4,250)
Street opening permits	18,681	56,912	38,231
Zoning permits	68,147	74,285	6,138
Health permits	-	60,650	60,650
Plan review	50,151	-	(50,151)
Total licenses and permits	1,096,275	1,167,875	71,600
Fines and forfeitures			
Parking tickets	340,820	331,052	(9,768)
False alarm fines	35,700	28,200	(7,500)
CT Judicial revenue distribution	28,879	-	(28,879)
Total fines and forfeitures	405,399	359,252	(46,147)
Use of money and property			
Rental of property - finance	35,150	256,998	221,848
Rental of property - recreation	79,755	4,750	(75,005)
Rental of property - Waveny	335,286	110,077	(225,209)
Waveny custodial fees	3,273	2,950	(323)
Parking meters	331,244	282,097	(49,147)
Parking permit waiting fees		5,270	5,270
Parking-day passes	14,213	7,252	(6,961)
Parking permits	577,834	667,792	89,958
Copier revenue	14,709	11,722	(2,987)
Copier revenue - police	1,646	2,138	492
Paddle tennis fees	44,243	46,210	1,967
Concessions and commissions	5,000	17,956	12,956
Total use of money and property	1,442,353	1,415,212	(27,141)
Reimbursements and refunds			
Workers comp offset	56,418	235,671	179,253
Insurance recoveries	1,500	-	(1,500)
Insurance recoveries	2,605	-	(2,605)

(Continued)

Town of New Canaan, Connecticut

Schedule of Revenues, Expenditures, Other Financing Sources/Uses and Changes in Fund Balance
Current and Prior Year Actual (Budgetary Basis) - General Fund
For the Year Ended June 30, 2019

	Actual Budget Basis		Variance with Prior Year
	Prior Year	Current Year	
Reimbursements and refunds (Continued)			
Legal reimbursement	\$ 30,000	\$ 24,011	\$ (5,989)
Member equity	120,612	115,070	(5,542)
Elderly tax exemption	102	-	(102)
DEEP admin cost revenue - P&Z	868	1,758	890
Welfare recoveries	725	-	(725)
Additional veterans exemption	1,134	-	(1,134)
School reimbursements	13,824	-	(13,824)
NSF fees	(94)	202	296
Total reimbursements and refunds	<u>227,694</u>	<u>376,712</u>	<u>149,018</u>
Total charges for services	<u>6,291,808</u>	<u>6,059,997</u>	<u>(231,811)</u>
Investment earnings			
Interest on investments	846,131	1,324,672	478,541
Dividends	-	-	-
Net change in fair value	(233,490)	161,336	394,826
Total investment earnings	<u>612,641</u>	<u>1,486,008</u>	<u>873,367</u>
Total revenues	<u>147,691,672</u>	<u>151,181,072</u>	<u>3,489,400</u>
Other financing sources			
Transfers in			
Facilities rental fund	10,000	10,000	-
State and federal educational grants fund	-	226,181	226,181
Sale of capital assets	22,400	22,462	62
Total other financing sources	<u>32,400</u>	<u>258,643</u>	<u>226,243</u>
Total revenues and other financing sources	<u>147,724,072</u>	<u>151,439,715</u>	<u>3,715,643</u>
Expenditures			
General government			
First Selectman	444,192	502,492	58,300
Town Clerk	382,770	404,419	21,649
Finance	988,521	1,001,209	12,688
Tax Assessor	320,277	338,265	17,988
Tax Collector	226,330	223,624	(2,706)
Legal	310,726	302,448	(8,278)
Human resources	384,584	391,733	7,149
Information technology	383,981	365,438	(18,543)
Registrar of voters	112,979	139,849	26,870
Health and security benefits	7,163,677	5,192,655	(1,971,022)
Insurance liability	1,368,404	1,387,047	18,643
Pension & OPEB contributions	-	1,819,772	1,819,772
Parking	392,617	441,326	48,709
Total general government	<u>12,479,058</u>	<u>12,510,277</u>	<u>31,219</u>

(Continued)

Town of New Canaan, Connecticut

Schedule of Revenues, Expenditures, Other Financing Sources/Uses and Changes in Fund Balance
Current and Prior Year Actual (Budgetary Basis) - General Fund
For the Year Ended June 30, 2019

	Actual Budget Basis		Variance with Prior Year
	Prior Year	Current Year	
Public safety and protection			
Police	\$ 6,065,473	\$ 6,185,895	\$ 120,422
Animal control	103,540	103,616	76
Fire	3,666,866	3,732,755	65,889
Ambulance	536,897	551,650	14,753
Emergency management	26,352	25,836	(516)
Land-use	1,203,946	1,250,871	46,925
Total public safety and protection	11,603,074	11,850,623	247,549
Public works			
Directors office	221,615	236,659	15,044
Engineering	188,476	242,664	54,188
Town buildings	922,881	1,074,316	151,435
Highway	3,172,407	3,159,831	(12,576)
Transfer station	1,404,120	1,527,722	123,602
Parks	1,561,397	1,640,015	78,618
Teen center	12,101	17,776	5,675
Nature center	58,208	60,363	2,155
Utilities	438,998	452,885	13,887
Tree service	528,724	409,094	(119,630)
Total public works	8,508,927	8,821,325	312,398
Human services			
Administration	549,906	557,923	8,017
Recreation			
Administration and programs	1,040,725	1,060,993	20,268
Waveny house	142,674	133,322	(9,352)
Paddle tennis	32,106	35,800	3,694
Park buildings	161,658	183,176	21,518
Civic activities	21,842	21,432	(410)
Lapham community center	293,347	299,743	6,396
Special persons	43,577	-	(43,577)
Pool Kiwanis operations	22,886	49,692	26,806
Total recreation	1,758,815	1,784,158	25,343
Total Board of Education	87,120,398	89,763,487	2,643,089
Library	2,230,280	2,274,886	44,606
Other agencies			
New Canaan Day Care Center	31,947	31,947	-
Health Services - Private Schools	270,234	267,937	(2,297)
Transportation Private Schools	266,986	258,356	(8,630)
Channel 79 Public Access TV	29,000	29,000	-
Probate Court (Darien)	10,035	11,977	1,942
Total other agencies	608,202	599,217	(8,985)

(Continued)

Town of New Canaan, Connecticut

Schedule of Revenues, Expenditures, Other Financing Sources/Uses and Changes in Fund Balance
Current and Prior Year Actual (Budgetary Basis) - General Fund
For the Year Ended June 30, 2019

	Actual Budget Basis		Variance with Prior Year
	Prior Year	Current Year	
Human services agencies			
Getabout	\$ 46,000	\$ 46,000	\$ -
Kids In Crisis	51,384	56,000	4,616
New Canaan Cares	18,000	17,500	(500)
Child Guidance Center	5,000	5,000	-
Domestic Violence Crisis Center	5,000	5,000	-
Meals on Wheels	5,000	5,000	-
Community Program Mental Wellness	5,000	-	(5,000)
Total human services agencies	<u>135,384</u>	<u>134,500</u>	<u>(884)</u>
Debt service	<u>18,018,566</u>	<u>18,114,871</u>	<u>96,305</u>
Total expenditures	<u>143,012,610</u>	<u>146,411,267</u>	<u>3,398,657</u>
Other financing uses			
Transfers out			
Town utilities sewer contribution	76,125	-	(76,125)
Tax supported capital fund	2,465,901	2,898,365	432,464
Waveny pool fund	50,318	37,996	(12,322)
Total other financing uses	<u>2,592,344</u>	<u>2,936,361</u>	<u>344,017</u>
Total expenditures and other financing uses	<u>145,604,954</u>	<u>149,347,628</u>	<u>3,742,674</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses - budgetary basis	<u>\$ 2,119,118</u>	<u>\$ 2,092,087</u>	<u>\$ (27,031)</u>

(Concluded)

Town of New Canaan, Connecticut

Report of Tax Collector
For the Year Ended June 30, 2019

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Grand List Year	Uncollected Taxes July 1, 2018	Current Year Levy	Lawful Corrections		Transfers to Suspense	Adjusted Amount Collectible	Collections			Uncollected Taxes June 30, 2019	
			Additions	Deductions			Net Taxes Collected	Interest Liens & Other Fees	Total		
2001	\$ 41	\$ -	\$ -	\$ 41	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2002	43	-	-	-	-	43	-	-	-	43	
2003	705	-	-	-	-	705	-	-	-	705	
2004	733	-	-	-	-	733	-	-	-	733	
2005	770	-	-	-	-	770	-	-	-	770	
2006	830	-	-	-	-	830	-	-	-	830	
2007	9,183	-	-	-	7,963	1,220	-	-	-	1,220	
2008	5,495	-	-	-	5,495	-	-	-	-	-	
2009	7,087	-	-	-	-	7,087	7	13	20	7,080	
2010	6,623	-	-	1	-	6,622	111	170	281	6,511	
2011	9,262	-	-	-	-	9,262	587	893	1,480	8,675	
2012	17,055	-	-	-	-	17,055	984	1,210	2,194	16,071	
2013	29,113	-	4	208	-	28,909	202	272	474	28,707	
2014	71,122	-	4	-	21,094	50,032	9,255	4,734	13,989	40,777	
2015	174,424	-	681	3,514	-	171,591	65,727	34,820	100,547	105,864	
2016	<u>533,335</u>	<u>-</u>	<u>2,471</u>	<u>29,291</u>	<u>-</u>	<u>506,515</u>	<u>180,535</u>	<u>48,038</u>	<u>228,573</u>	<u>325,980</u>	
Total Prior Years	865,821	-	3,160	33,055	34,552	801,374	257,408	90,150	347,558	543,966	
2017	<u>-</u>	<u>142,041.936</u>	<u>77,886</u>	<u>176,909</u>	<u>-</u>	<u>141,942.913</u>	<u>141,199.881</u>	<u>238,076</u>	<u>141,437.957</u>	<u>743,032</u>	
Total All Years	<u>\$ 865,821</u>	<u>\$ 142,041.936</u>	<u>\$ 81,046</u>	<u>\$ 209,964</u>	<u>\$ 34,552</u>	<u>\$ 142,744.287</u>	<u>\$ 141,457.289</u>	<u>\$ 328,226</u>	<u>\$ 141,785.515</u>	\$ 1,286,998	
										Tax interest receivable	364,044
										Tax allowance for doubtful accounts	(291,648)
										Net taxes receivable - General Fund	<u>\$ 1,359,394</u>

Other Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted, committed or assigned to expenditures for particular purposes.

Sewer Taxing District Fund

The Sewer Taxing District Fund is used to account for revenues generated from property taxes specifically designated for the maintenance and operation of the distribution system and sewer plant.

School Lunch Fund

The School Lunch Fund is used to account for the operations of the schools' cafeterias.

Subrecipient Grant Fund

The Subrecipient Grant Fund is used to account for revenues received and paid to a subrecipient.

Summer Learning Fund

The Summer Learning Fund is used to account for registration revenues related to summer school and related expenditures.

Town Grants Fund

The Town Grants Fund is used to account for revenues from federal and state grants.

Facilities Rental Fund

The Facilities Rental Fund is used to account for revenues and expenditures related to the rental of school properties to third parties.

Special Projects Fund

The Special Projects Fund is used to account for donations from individuals and private organizations to be used for the stated purpose.

Extra Duty Fund

The Extra Duty Fund is used to account for revenues related to extra duties performed by police officers and fire department employees to be used for the stated purpose.

Other Governmental Funds (Continued)

Town Clerk Fund

The Town Clerk Fund is used to account for revenues related to historic document preservation and community investment to be used for the stated purpose.

State and Federal Educational Grants Fund

The State and Federal Educational Grants Fund is used to account for revenues from federal, state and local grants for educational purposes.

School Donation Fund

The School Donation Fund is used to account for donations from PTOs and booster clubs for educational purposes.

Railroad Fund

The Railroad Fund is used to account for revenues and expenditures related to the operation of the railway station.

Property Rental Fund

The Property Rental Fund is used to account for revenues and expenditures related to the Town's rental of property.

Movie Theater Building Fund

The Movie Theater Building Fund is used to account for Movie Theater building revenues and expenditures.

Parking Fund

The Parking Fund is used to account for fees-in-lieu-of the required parking spaces pursuant to section 8-2c of the Connecticut general statutes and a portion of the parking lot permit fees. These can be used for the repair and maintenance, expansion, and improvement of public parking facilities.

Affordable Housing Fund

The Affordable Housing Fund is used to account for building permit fees to be used for affordable housing projects.

Visual and Performing Arts Fund

The Visual and Performing Arts Fund is used to account for revenues and expenditures related to school musicals and other arts.

CAPITAL PROJECT FUNDS

School Energy Efficiency Fund

The School Energy Efficiency Fund is used to account for energy efficiency programs.

Other Governmental Funds (Continued)

Road Paving Fund

The Road Paving Fund is used to account for expenditures relating to various road paving projects throughout the Town.

Small Bonded Capital Projects Fund

The Small Bonded Capital Projects Fund is used to account for expenditures related to small bonded capital projects that are not significant enough to be a stand-alone fund.

South School Improvements Fund

The South School Improvements Fund is used to account for expenditures related to improvements at the South School.

Town Hall Renovations Fund

The Town Hall Renovations Fund is used to account for expenditures related to renovations at the town hall.

Saxe School Improvement Fund

The Saxe School Improvement Fund is used to account for expenditures related to improvements at the Saxe School.

Tax Supported Capital Fund

The Capital and Nonrecurring Fund is used to account for capital acquisitions which, by nature, occur over the course of multiple years.

Special Bonding Fund

The Special Bonding Fund is used to provide working capital for projects that will be ultimately financed through general obligation bonds.

Waveny Roof Fund

The Waveny Roof Fund is used to account for expenditures related to replacing the roof at Waveny.

Track Fund

The Track Fund is used to account for expenditures relating to the high school track replacement and the water tower turf.

Mead Baseball Fields Fund

The Mead Baseball Fields Fund is used to account for expenditures relating to Mead Park baseball fields.

Public Safety Radio Fund

The Public Safety Radio Fund is used to account for expenditures relating to the improvement of the public safety radio system.

Other Governmental Funds (Continued)

PERMANENT FUND - Sydney Weisner Fund

The Sydney Weisner Fund is the Town's one permanent fund. It is used to account for investment earnings in the Sydney Weisner Endowment Fund to be used for special education programs.

Town of New Canaan, Connecticut

Combining Balance Sheet
Other Governmental Funds
June 30, 2019

Special Revenue Funds

	Sewer Taxing District Fund	School Lunch Fund	Summer Learning Fund	Town Grants Fund	Facilities Rental Fund	Special Projects Fund	Extra Duty Fund	Town Clerk Fund
Assets								
Cash	\$ 3,288,431	\$ 902,694	\$ 396,432	\$ -	\$ 175,917	\$ 1,264,810	\$ 538,508	\$ 107,801
Investments	-	1,228,150	-	-	-	-	-	-
Receivables (net):								
Property taxes	10,118	-	-	-	-	-	-	-
Intergovernmental	-	-	-	143,821	-	-	-	-
Accounts	31,915	5,559	-	-	37,813	-	219,291	-
Due from other funds	-	-	-	-	-	-	-	-
Other	-	36,984	-	-	-	-	-	-
Total assets	\$ 3,330,464	\$ 2,173,387	\$ 396,432	\$ 143,821	\$ 213,730	\$ 1,264,810	\$ 757,799	\$ 107,801
Liabilities								
Accounts payable	\$ 309,106	\$ 12,520	\$ 10,505	\$ 138,142	\$ 15	\$ 54,803	\$ -	\$ -
Accrued payroll	14,436	2,914	24,518	-	584	4,239	20,328	-
Retainage payable	-	-	-	7,191	-	-	-	-
Due to other funds	-	662,923	2,111	8,657	27,058	170,706	-	-
Unearned revenues	-	128,163	127,890	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total liabilities	323,542	806,520	165,024	153,990	27,657	229,748	20,328	-
Deferred Inflows of Resources								
Unavailable revenues:								
Property taxes	9,276	-	-	-	-	-	-	-
Fund Balances								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	2,997,646	1,366,867	-	-	-	1,035,062	-	107,801
Committed	-	-	-	-	-	-	-	-
Assigned	-	-	231,408	-	186,073	-	737,471	-
Unassigned	-	-	-	(10,169)	-	-	-	-
Total fund balances	2,997,646	1,366,867	231,408	(10,169)	186,073	1,035,062	737,471	107,801
Total liabilities, deferred inflows of resources and fund balances	\$ 3,330,464	\$ 2,173,387	\$ 396,432	\$ 143,821	\$ 213,730	\$ 1,264,810	\$ 757,799	\$ 107,801

(Continued)

Town of New Canaan, Connecticut

Combining Balance Sheet
Other Governmental Funds
June 30, 2019

	Special Revenue Funds								
	State and Federal Educational Grants Fund	School Donation Fund	Railroad Fund	Property Rental Fund	Movie Theater Building Fund	Parking Fund	Affordable Housing Fund	Visual and Performing Arts Fund	Total Special Revenue Funds
<u>Assets</u>									
Cash	\$ 710,178	\$ 188,841	\$ 479,460	\$ 55,320	\$ 791,825	\$ 954,760	\$ 585	\$ 79,052	\$ 9,934,614
Investments	-	-	-	-	-	-	12,310	-	1,240,460
Receivables (net):									
Property taxes	-	-	-	-	-	-	-	-	10,118
Intergovernmental	-	-	-	-	-	-	-	-	143,821
Accounts	-	-	300	800	9,606	-	-	-	305,284
Due from other funds	-	-	-	-	-	-	33,915	-	33,915
Other	-	-	-	-	-	-	-	-	36,984
Total assets	<u>\$ 710,178</u>	<u>\$ 188,841</u>	<u>\$ 479,760</u>	<u>\$ 56,120</u>	<u>\$ 801,431</u>	<u>\$ 954,760</u>	<u>\$ 46,810</u>	<u>\$ 79,052</u>	<u>\$ 11,705,196</u>
<u>Liabilities</u>									
Accounts payable	\$ 67,585	\$ 12,825	\$ 5,841	\$ 1,562	\$ 24,478	\$ -	\$ -	\$ -	\$ 637,382
Accrued payroll	-	-	-	-	-	-	-	-	67,019
Retainage payable	-	-	-	-	-	-	-	-	7,191
Due to other funds	624,986	88,242	80,234	-	-	-	-	-	1,664,917
Unearned revenues	-	-	-	-	-	-	-	-	256,053
Other	-	-	78,528	-	-	-	-	-	78,528
Total liabilities	<u>692,571</u>	<u>101,067</u>	<u>164,603</u>	<u>1,562</u>	<u>24,478</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,711,090</u>
<u>Deferred Inflows of Resources</u>									
Unavailable revenues:									
Property taxes	-	-	-	-	-	-	-	-	9,276
<u>Fund Balances</u>									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	17,607	-	-	-	-	954,760	46,810	79,052	6,605,605
Committed	-	-	-	-	-	-	-	-	-
Assigned	-	87,774	315,157	54,558	776,953	-	-	-	2,389,394
Unassigned	-	-	-	-	-	-	-	-	(10,169)
Total fund balances	<u>17,607</u>	<u>87,774</u>	<u>315,157</u>	<u>54,558</u>	<u>776,953</u>	<u>954,760</u>	<u>46,810</u>	<u>79,052</u>	<u>8,984,830</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 710,178</u>	<u>\$ 188,841</u>	<u>\$ 479,760</u>	<u>\$ 56,120</u>	<u>\$ 801,431</u>	<u>\$ 954,760</u>	<u>\$ 46,810</u>	<u>\$ 79,052</u>	<u>\$ 11,705,196</u>

(Continued)

Town of New Canaan, Connecticut

Combining Balance Sheet
Other Governmental Funds
June 30, 2019

		Capital Projects Funds							
		School Energy Efficiency Fund	Road Paving Fund	Small Bonded Capital Projects Fund	South School Improvement Fund	Saxe School Improvement Fund	Tax Supported Capital Fund	Special Bonding Fund	Waveny Roof Fund
<u>Assets</u>									
Cash	\$ -	\$ 1,321,444	\$ 714,994	\$ -	\$ -	\$ 2,899,947	\$ 2,494,185	\$ 37,170	
Investments	-	-	-	-	-	-	600,000	-	
Receivables (net):									
Property taxes	-	-	-	-	-	-	-	-	
Intergovernmental	-	-	-	-	-	-	-	-	
Accounts	-	-	-	-	-	-	-	-	
Due from other funds	-	-	-	-	-	-	779,341	-	
Other	-	-	-	-	-	-	-	-	
Total assets	\$ -	\$ 1,321,444	\$ 714,994	\$ -	\$ -	\$ 2,899,947	\$ 3,873,526	\$ 37,170	
<u>Liabilities</u>									
Accounts payable	\$ -	\$ 530,213	\$ 207,166	\$ -	\$ -	\$ 646,253	\$ -	\$ -	
Accrued payroll	-	-	-	-	-	-	-	-	
Retainage payable	-	-	37,930	-	-	-	-	-	
Due to other funds	252,097	-	-	41,509	411,732	-	-	-	
Unearned revenues	-	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	-	
Total liabilities	252,097	530,213	245,096	41,509	411,732	646,253	-	-	
<u>Deferred Inflows of Resources</u>									
Unavailable revenues:									
Property taxes	-	-	-	-	-	-	-	-	
<u>Fund Balances</u>									
Nonspendable	-	-	-	-	-	-	-	-	
Restricted	-	-	-	-	-	-	-	-	
Committed	-	791,231	469,898	-	-	1,746,263	3,873,526	37,170	
Assigned	-	-	-	-	-	507,431	-	-	
Unassigned	(252,097)	-	-	(41,509)	(411,732)	-	-	-	
Total fund balances	(252,097)	791,231	469,898	(41,509)	(411,732)	2,253,694	3,873,526	37,170	
Total liabilities, deferred inflows of resources and fund balances	\$ -	\$ 1,321,444	\$ 714,994	\$ -	\$ -	\$ 2,899,947	\$ 3,873,526	\$ 37,170	

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(Continued)

Town of New Canaan, Connecticut

Combining Balance Sheet
Other Governmental Funds
June 30, 2019

	Capital Projects Funds			Permanent Fund	Total Other Governmental Funds
	Track Fund	Mead Baseball Fields Fund	Public Safety Radio Fund	Sydney Weisner Fund	
<u>Assets</u>					
Cash	\$ 367,699	\$ -	\$ 629,544	\$ -	\$ 18,399,597
Investments	-	-	-	56,795	1,897,255
Receivables (net):					
Property taxes	-	-	-	-	10,118
Intergovernmental	-	-	-	-	143,821
Accounts	-	14,441	-	-	319,725
Due from other funds	-	-	-	-	813,256
Other	-	-	-	-	36,984
Total assets	<u>\$ 367,699</u>	<u>\$ 14,441</u>	<u>\$ 629,544</u>	<u>\$ 56,795</u>	<u>\$ 21,620,756</u>
<u>Liabilities</u>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 2,021,014
Accrued payroll	-	-	-	-	67,019
Retainage payable	23,800	-	-	-	68,921
Due to other funds	-	14,441	-	-	2,384,696
Unearned revenues	-	-	-	-	256,053
Other	-	-	-	-	78,528
Total liabilities	<u>23,800</u>	<u>14,441</u>	<u>-</u>	<u>-</u>	<u>4,876,231</u>
<u>Deferred Inflows of Resources</u>					
Unavailable revenues:					
Property taxes	-	-	-	-	9,276
<u>Fund Balances</u>					
Nonspendable	-	-	-	56,500	56,500
Restricted	-	-	-	295	6,605,900
Committed	343,899	-	629,544	-	7,891,531
Assigned	-	-	-	-	2,896,825
Unassigned	-	-	-	-	(715,507)
Total fund balances	<u>343,899</u>	<u>-</u>	<u>629,544</u>	<u>56,795</u>	<u>16,735,249</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 367,699</u>	<u>\$ 14,441</u>	<u>\$ 629,544</u>	<u>\$ 56,795</u>	<u>\$ 21,620,756</u>

(Concluded)

Town of New Canaan, Connecticut

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Other Governmental Funds
For the Year Ended June 30, 2019

Special Revenue Funds

	Sewer Taxing District Fund	School Lunch Fund	Subrecipient Grant Fund	Summer Learning Fund	Town Grants Fund	Facilities Rental Fund	Special Projects Fund	Extra Duty Fund	Town Clerk Fund
Revenues:									
Property taxes	\$ 1,457,934	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	45,365	-	250,985	-	173,791	-	994	-	-
Charges for services	281,643	2,343,458	-	154,463	-	191,324	511,565	1,303,253	9,240
Investment income	-	5,300	-	92	-	28	-	-	-
Contributions	-	-	-	-	4,500	-	435,085	-	-
Total revenues	<u>1,784,942</u>	<u>2,348,758</u>	<u>250,985</u>	<u>154,555</u>	<u>178,291</u>	<u>191,352</u>	<u>947,644</u>	<u>1,303,253</u>	<u>9,240</u>
Expenditures:									
Current:									
General government	-	-	8,467	-	190,287	-	78,741	-	-
Public safety and protection	-	-	-	-	-	-	46,973	1,021,080	-
Public works	1,298,350	-	-	-	-	-	84,644	-	-
Social services	-	-	-	-	20,076	-	136,816	-	-
Parks and recreation	-	-	-	-	-	-	71,663	-	-
Education	-	2,092,172	242,518	165,043	-	138,350	-	-	-
Debt service	58,088	-	-	-	-	-	-	-	-
Capital outlay	364,319	-	-	-	-	-	-	-	-
Total expenditures	<u>1,720,757</u>	<u>2,092,172</u>	<u>250,985</u>	<u>165,043</u>	<u>210,363</u>	<u>138,350</u>	<u>418,837</u>	<u>1,021,080</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>64,185</u>	<u>256,586</u>	<u>-</u>	<u>(10,488)</u>	<u>(32,072)</u>	<u>53,002</u>	<u>528,807</u>	<u>282,173</u>	<u>9,240</u>
Other financing sources (uses):									
Issuance of debt	-	-	-	-	-	-	-	-	-
Issuance of refunding bonds	-	-	-	-	-	-	-	-	-
Payments to bond escrow agents	-	-	-	-	-	-	-	-	-
Bond premium	-	-	-	-	-	-	-	-	-
Insurance settlement	-	500,000	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(10,000)	(117,635)	-	-
Net other financing sources (uses)	<u>-</u>	<u>500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(10,000)</u>	<u>(117,635)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>64,185</u>	<u>756,586</u>	<u>-</u>	<u>(10,488)</u>	<u>(32,072)</u>	<u>43,002</u>	<u>411,172</u>	<u>282,173</u>	<u>9,240</u>
Fund balances, July 1, 2018	<u>2,933,461</u>	<u>610,281</u>	<u>-</u>	<u>241,896</u>	<u>21,903</u>	<u>143,071</u>	<u>623,890</u>	<u>455,298</u>	<u>98,561</u>
Fund balances, June 30, 2019	<u>\$ 2,997,646</u>	<u>\$ 1,366,867</u>	<u>\$ -</u>	<u>\$ 231,408</u>	<u>\$ (10,169)</u>	<u>\$ 186,073</u>	<u>\$ 1,035,062</u>	<u>\$ 737,471</u>	<u>\$ 107,801</u>

(Continued)

Town of New Canaan, Connecticut
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Other Governmental Funds
For the Year Ended June 30, 2019

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	Special Revenue Funds								
	State and Federal Educational Grants Fund	School Donation Fund	Railroad Fund	Property Rental Fund	Movie Theater Building Fund	Parking Fund	Affordable Housing Fund	Visual and Performing Arts Fund	Total Special Revenue Funds
Revenues:									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,457,934
Intergovernmental	1,208,048	-	-	-	-	-	-	-	1,679,183
Charges for services	-	-	200,946	10,400	99,830	159,970	229,974	-	5,496,066
Investment income	-	-	-	-	-	-	1,423	-	6,843
Contributions	-	222,288	-	-	-	-	-	60,774	722,647
Total revenues	1,208,048	222,288	200,946	10,400	99,830	159,970	231,397	60,774	9,362,673
Expenditures:									
Current:									
General government	-	-	121,615	3,529	-	-	-	-	402,639
Public safety and protection	-	-	-	-	-	-	-	-	1,068,053
Public works	-	-	-	-	-	-	-	-	1,382,994
Social services	-	-	-	-	-	-	369,122	-	526,014
Parks and recreation	-	-	-	-	18,950	-	-	-	90,613
Education	1,209,441	174,301	-	-	-	-	-	47,684	4,069,509
Debt service	-	-	-	-	-	-	-	-	58,088
Capital outlay	-	-	-	-	-	27,181	-	-	391,500
Total expenditures	1,209,441	174,301	121,615	3,529	18,950	27,181	369,122	47,684	7,989,410
Excess (deficiency) of revenues over expenditures	(1,393)	47,987	79,331	6,871	80,880	132,789	(137,725)	13,090	1,373,263
Other financing sources (uses):									
Issuance of debt	-	-	-	-	-	-	-	-	-
Issuance of refunding bonds	-	-	-	-	-	-	-	-	-
Payments to bond escrow agents	-	-	-	-	-	-	-	-	-
Bond premium	-	-	-	-	-	-	-	-	-
Insurance settlement	-	-	-	-	-	-	-	-	500,000
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	(226,181)	-	-	-	-	-	-	-	(353,816)
Net other financing sources (uses)	(226,181)	-	-	-	-	-	-	-	146,184
Net change in fund balances	(227,574)	47,987	79,331	6,871	80,880	132,789	(137,725)	13,090	1,519,447
Fund balances, July 1, 2018	245,181	39,787	235,826	47,687	696,073	821,971	184,535	65,962	7,465,383
Fund balances, June 30, 2019	\$ 17,607	\$ 87,774	\$ 315,157	\$ 54,558	\$ 776,953	\$ 954,760	\$ 46,810	\$ 79,052	\$ 8,984,830

(Continued)

Town of New Canaan, Connecticut
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Other Governmental Funds
For the Year Ended June 30, 2019

Capital Projects Funds

	School Energy Efficiency Fund	Road Paving Fund	Small Bonded Capital Projects Fund	South School Improvement Fund	Town Hall Renovations Fund	Saxe School Improvement Fund	Tax Supported Capital Fund	Special Bonding Fund	Waveny Roof Fund
Revenues:									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	6,720	-	-
Investment income	-	-	-	-	-	-	10,723	22,330	-
Contributions	-	-	127,982	-	-	-	34,100	-	689
Total revenues	-	-	127,982	-	-	-	51,543	22,330	689
Expenditures:									
Current:									
General government	-	-	-	-	-	-	-	-	-
Public safety and protection	-	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-	-
Social services	-	-	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	286,082	-
Debt service	-	-	-	-	-	-	-	14,150,263	-
Capital outlay	-	3,282,718	3,302,378	-	1,914	446,092	3,307,272	869,967	-
Total expenditures	-	3,282,718	3,302,378	-	1,914	446,092	3,307,272	15,306,312	-
Excess (deficiency) of revenues over expenditures	-	(3,282,718)	(3,174,396)	-	(1,914)	(446,092)	(3,255,729)	(15,283,982)	689
Other financing sources (uses):									
Issuance of debt	-	-	3,200,000	-	-	-	-	1,469,967	-
Issuance of refunding bonds	-	-	-	-	-	-	-	37,470,000	-
Payments to bond escrow agents	-	-	-	-	-	-	-	(26,574,992)	-
Bond premium	-	-	-	-	-	-	-	3,546,020	-
Insurance settlement	-	-	-	-	-	-	-	-	-
Transfers in	-	10,126	-	66,813	-	-	3,016,000	-	-
Transfers out	-	-	(76,339)	-	(600)	-	-	-	-
Net other financing sources (uses)	-	10,126	3,123,661	66,813	(600)	-	3,016,000	15,910,995	-
Net change in fund balances	-	(3,272,592)	(50,735)	66,813	(2,514)	(446,092)	(239,729)	627,013	689
Fund balances, July 1, 2018	(252,097)	4,063,823	520,633	(108,322)	2,514	34,360	2,493,423	3,246,513	36,481
Fund balances, June 30, 2019	\$ (252,097)	\$ 791,231	\$ 469,898	\$ (41,509)	\$ -	\$ (411,732)	\$ 2,253,694	\$ 3,873,526	\$ 37,170

(Continued)

Town of New Canaan, Connecticut
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Other Governmental Funds
For the Year Ended June 30, 2019

	Capital Projects Funds			Permanent Fund	Total Other Governmental Funds
	Track Fund	Mead Baseball Fields Fund	Public Safety Radio Fund	Sydney Weisner Fund	
Revenues:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 1,457,934
Intergovernmental	-	-	-	-	1,679,183
Charges for services	-	-	-	-	5,502,786
Investment income	-	-	-	80	39,976
Contributions	9,888	50,109	-	-	945,415
Total revenues	9,888	50,109	-	80	9,625,294
Expenditures:					
Current:					
General government	-	-	-	-	402,639
Public safety and protection	-	-	-	-	1,068,053
Public works	-	-	-	-	1,382,994
Social services	-	-	-	-	526,014
Parks and recreation	-	-	-	-	90,613
Education	-	-	-	150	4,355,741
Debt service	-	-	-	-	14,208,351
Capital outlay	244,062	933,852	1,961,952	-	14,741,707
Total expenditures	244,062	933,852	1,961,952	150	36,776,112
Excess (deficiency) of revenues over expenditures	(234,174)	(883,743)	(1,961,952)	(70)	(27,150,818)
Other financing sources (uses):					
Issuance of debt	-	-	2,600,000	-	7,269,967
Issuance of refunding bonds	-	-	-	-	37,470,000
Payments to bond escrow agents	-	-	-	-	(26,574,992)
Bond premium	-	-	-	-	3,546,020
Insurance settlement	-	-	-	-	500,000
Transfers in	-	-	-	-	3,092,939
Transfers out	-	-	-	-	(430,755)
Net other financing sources (uses)	-	-	2,600,000	-	24,873,179
Net change in fund balances	(234,174)	(883,743)	638,048	(70)	(2,277,639)
Fund balances, July 1, 2018	578,073	883,743	(8,504)	56,865	19,012,888
Fund balances, June 30, 2019	\$ 343,899	\$ -	\$ 629,544	\$ 56,795	\$ 16,735,249

(Concluded)

Town of New Canaan, Connecticut

**Schedule of Revenues, Expenditures, Other Financing Sources
and Changes in Fund Balance
Budget and Actual
Sewer Taxing District Fund
For the Year Ended June 30, 2019**

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual Budgetary Basis	Variance with Final Budget
Revenues					
Taxes	\$ 1,430,044	\$ -	\$ 1,430,044	\$ 1,454,389	\$ 24,345
Interest and lien fees on taxes	1,500	-	1,500	3,545	2,045
Interest on investments	1,000	-	1,000	-	(1,000)
Nitrogen credit	48,000	-	48,000	45,365	(2,635)
Sewer connection permits	600	-	600	27,200	26,600
Disposal fees	29,500	-	29,500	254,443	224,943
Total revenues	<u>1,510,644</u>	<u>-</u>	<u>1,510,644</u>	<u>1,784,942</u>	<u>274,298</u>
Expenditures					
Current:					
Public works	1,427,529	48,931	1,476,460	1,298,350	178,110
Debt service	59,715	-	59,715	58,088	1,627
Capital outlay	103,400	354,984	458,384	364,319	94,065
Total expenditures	<u>1,590,644</u>	<u>403,915</u>	<u>1,994,559</u>	<u>1,720,757</u>	<u>273,802</u>
Excess (deficiency) of revenues over expenditures	<u>(80,000)</u>	<u>(403,915)</u>	<u>(483,915)</u>	<u>64,185</u>	<u>548,100</u>
Other financing sources					
Appropriation of fund balance	<u>80,000</u>	<u>403,915</u>	<u>483,915</u>	<u>-</u>	<u>(483,915)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,185</u>	<u>\$ 64,185</u>

Town of New Canaan, Connecticut
Schedule of Changes in Fund Balance
Special Projects Fund
For the Year Ended June 30, 2019

Project Name	Beginning Fund Balance	Revenues	Expenditures and Transfers Out	Ending Fund Balance
Human Services				
Human Services	\$ 127,411	\$ 8,473	\$ 3,054	\$ 132,830
New Canaan Food Pantry	12,552	36,923	37,469	12,006
Senior Health Technology Committee	6,404	10,000	4,698	11,706
Senior Bench Project	-	980	980	-
Total Human Services	146,367	56,376	46,201	156,542
Parks				
Fields-Baseball Softball	979	-	-	979
Irwin Park-Baseball Fields	10,627	-	10,627	-
Total Parks	11,606	-	10,627	979
Recreation				
Parks & Recreation	48,972	30,544	38,334	41,182
Waveny House	56,836	300	3,299	53,837
Waveny Garden	26,888	10,000	3,400	33,488
Waveny Swim Team	2,184	-	-	2,184
Waveny Fitness Trail	1,919	-	-	1,919
Paddle Tennis	3,998	-	1,620	2,378
Spencer's Run	940	-	-	940
Total Recreation	141,737	40,844	46,653	135,928
Police				
Police Communications	580	-	580	-
Police-Defibrillator	439	-	-	439
Police-Well Being	30,292	13,625	10,727	33,190
Police-Sheinberg Fund	6,461	5,000	2,392	9,069
Police-Bullet Proof Vests	1,651	-	-	1,651
Police-SRT Equipment	4,680	-	-	4,680
Child Safety Seats	1,867	120	300	1,687
Family Violence	498	-	-	498
Traffic Safety Initiatives	249	10	-	259
K9 Program	64,206	21,239	9,336	76,109
Lifesaver Program Fund-Police	635	-	43	592
Police-Honor Guard	442	-	-	442
Police-Naloxone	1,709	108	-	1,817
Police-Public Self Defense Class	3,230	-	-	3,230
Asset Forfeiture (2960 10398)	4,015	994	290	4,719
Total Police	120,954	41,096	23,668	138,382

(Continued)

Town of New Canaan, Connecticut

Schedule of Changes in Fund Balance
Special Projects Fund
For the Year Ended June 30, 2019

Project Name	Beginning Fund Balance	Revenues	Expenditures and Transfers Out	Ending Fund Balance
Public Works				
Gold Star Walk	\$ 2,419	\$ 2,000	\$ -	\$ 4,419
Tree Program-Elm Street	510	-	-	510
Irwin Park-Trails	16,709	-	-	16,709
Tree Fund	3,153	-	-	3,153
Mead Memorial Park Tennis Fund	1,004	-	-	1,004
NC Fish Management	3,254	2,604	2,089	3,769
Ram Spirit Fund	1,855	-	-	1,855
Nature Center Improvements	-	4,400	1,555	2,845
Preservation Alliance - Waveny	10,339	-	-	10,339
Waveny Park Conservancy	30,964	113,030	81,000	62,994
Veterans of Foreign Wars	(2)	-	-	(2)
Total Public Works	70,205	122,034	84,644	107,595
Selectmen				
WPA Art	357	-	-	357
Mather Smith Cemetery Fund	3,543	-	-	3,543
Family Fourth	83,916	78,713	78,701	83,928
New Canaan Rink	10,301	-	-	10,301
NC Rink and Field House Building Fund	212	-	-	212
G.M. Filming	2,916	-	-	2,916
Total Selectmen	101,245	78,713	78,701	101,257
Other				
CERT Team	5,897	600	-	6,497
Fire Dept-Smoke Alarms	1,065	3,100	1,180	2,985
Animal Response Team	105	-	-	105
Ambulance Building Repairs	925	22,125	22,125	925
Fire Department Training	2,315	-	-	2,315
Schoolhouse Apartments Rollup	1,495	-	-	1,495
Parterre Garden	20,015	-	14,383	5,632
Aquarion Paving Contribution	-	302,450	-	302,450
New Canaan Nature Center	-	10,000	-	10,000
Land Acquisition	-	2,075	-	2,075
Mead Park Playground	-	117,635	117,635	-
Bristow Bird Sanctuary	-	15,000	-	15,000
Getabout	-	135,596	90,615	44,981
Unaffiliated with a Project	(41)	-	40	(81)
Total Other	31,776	608,581	245,978	394,379
Total Fund Balance	\$ 623,890	\$ 947,644	\$ 536,472	\$ 1,035,062

(Concluded)

Town of New Canaan, Connecticut

Schedule of Changes in Fund Balance
Small Bonded Capital Projects
For the Year Ended June 30, 2019

Project Name	Beginning Fund Balance	Revenues and Other Financing Sources	Expenditures	Ending Fund Balance
2013 Fire House Renovation	\$ 5,631	\$ -	\$ 5,631	\$ -
NCHS Tennis Court Rebuild	20,690	-	9,220	11,470
Police Dispatch Equipment & Renovation	12,112	-	12,112	-
Carriage Barn Roof Improvements	23,916	-	23,916	-
Lapham Community Center Roof Improv	25,153	-	25,154	(1)
Munis Implementation	(275,837)	-	1,280	(277,117) *
2018 Spartan Metrostar Engine	6,748	-	6,348	400
2017 Waveny Tail Extension	2,825	-	2,825	-
2017 Pavement Preservation	113,119	-	139,481	(26,362) **
2017 Drainage	21,363	-	21,363	-
2017 Sidewalks - Improvement & New	49,068	-	30,948	18,120
2017 Waveny Oil Tank & Boiler	34,975	-	25,191	9,784
2017 NC Day Care Heating System	272	-	272	-
2017 Rolling Stock-Hook Lift Truck	30,305	-	30,305	-
2017 Rolling Stock - Loader	1,198	-	1,198	-
2017 Rolling Stock - Loader Rplcmnt	19,052	-	-	19,052
2017 Playgrounds Project	21,147	-	-	21,147
2017 Exhaust Fans - District Wide	1,089	-	-	1,089
2017 Main Electric Switchgear Svc	11,897	-	-	11,897
2017 Roof Ladders - District Wide	27,000	-	-	27,000
2017 Classroom ADA Sinks - East	2,500	-	-	2,500
2017 Bathroom Upgrades - East Sch	8,402	-	-	8,402
2017 Classroom ADA Millwork - South	2,500	-	2,500	-
2017 Masonry Resto-Chimney South Sc	20,000	-	-	20,000
2017 Water Supply Iso Valves - West	10,496	-	9,288	1,208
2017 Masonry Repairs/Repoint Saxe	250,000	-	128,440	121,560
2017 Remaining HVAC Valves Saxe	11,558	-	3,618	7,940
2017 Impr Kchn Ventilation - Saxe	40,991	-	-	40,991
2017 ADA Bathroom Upgrades NCHS	11,111	-	-	11,111
2018 Waveny Athletic Field Fencing	-	-	6,302	(6,302) **
2018 Mead Park Playgrnd Upgrade P2	-	-	55,846	(55,846) **
2018 Mead Park Playgrnd Safety Surf	-	-	39,980	(39,980) **
2018 Mead Park Colonnade Hardscape	-	12,500	8,000	4,500
2018 Mead Park Tennis Walkways	-	10,000	9,995	5
2018 Additional Platform Tennis Crt	-	103,000	102,608	392
2018 Waveny Trail Upgrade	-	50,000	22,435	27,565
2018 Drainage	-	50,000	25,538	24,462
2018 Sidewalks - Replace and Repair	(10,504)	300,000	109,164	180,332
2018 Guiderails	-	50,000	50,000	-
2018 Parking Lots	-	-	71,574	(71,574) **
2018 Parking Expansion	-	-	3,600	(3,600) **

(Continued)

Town of New Canaan, Connecticut

Schedule of Changes in Fund Balance
Small Bonded Capital Projects
For the Year Ended June 30, 2019

Project Name	Beginning Fund Balance	Revenues and Other Financing Sources	Expenditures	Ending Fund Balance
2018 Bridge to WWTF	\$ -	\$ 1,400,000	\$ 666,270	\$ 733,730
2018 Town Hall	-	-	2,204	(2,204) **
2018 Fire House	-	50,000	43,800	6,200
2018 NCVAC Porch & Roof Repairs	-	16,161	42,172	(26,011) **
2018 Waveny Park Powerhouse Theatre	-	-	1,460	(1,460) **
2018 Waveny Park Lapham CC	-	-	3,463	(3,463) **
2018 Highway Garage	-	55,790	42,787	13,003
2018 Irwin Park Barn	-	-	16,905	(16,905) **
2018 Mead Park Lodge	-	12,000	11,250	750
2018 Mead Storage Building Demo	-	-	45,471	(45,471) **
2018 School House Apartments / Day	-	10,000	9,231	769
2018 Police Station Renovation	-	-	2,000	(2,000) **
2018 Waveny Elevator/Bathrooms/ADA	-	150,000	91,278	58,722
2018 Nature Center Visitor Center	-	-	23,435	(23,435) **
2018 2 WD Dump/Sander Truck	-	150,000	148,292	1,708
2018 Boom Mower	-	140,000	136,570	3,430
2018 Vacuum Leaf System	-	35,000	28,000	7,000
2018 Backhoe	-	125,000	124,148	852
2018 Athletic Field Mower (16')	-	90,338	90,338	-
2018 Athletic Field Fine mower	-	66,727	66,727	-
2018 10' Front Mower	-	59,850	59,850	-
2018 Aerial Lift	-	27,630	27,630	-
2018 Field Improvement	-	60,000	32,746	27,254
2018 Irrigation Upgrades	-	45,000	-	45,000
2018 Mead Park Bridge	-	25,000	24,450	550
2018 Exterior Wall Repairs	-	30,000	6,100	23,900
2018 District Curbing & Sdwlk Repairs	-	25,000	23,013	1,987
2018 East School	-	10,000	9,506	494
2018 South School	-	35,000	25,936	9,064
2018 West School	-	30,000	62,400	(32,400) **
2018 Saxe	-	25,165	23,300	1,865
2018 NCHS Hot Water Heater	-	-	79,300	(79,300) **
2018 East Playground Restoration	-	-	107,650	(107,650) **
2019 Highway Dept. Roof	-	-	278,628	(278,628) **
2019 South School Roof	-	-	3,438	(3,438) **
2019 School House Apartments / Dayc	-	-	1,330	(1,330) **
2019 Water Tower Softball Field Lig	-	78,821	-	78,821
2019 Vehicle Replacement - Recreati	-	-	30,549	(30,549) **
2019 West AC Gym/Adjacent Cor	-	-	2,958	(2,958) **
Rehabilitation of Town Buildings	21,856	-	-	21,856
Total	\$ 520,633	\$ 3,327,982	\$ 3,378,717	\$ 469,898

(Concluded)

* This project will be paid for by a transfer from other funds.

** These projects were approved to be financed with bonding. The bonds have not yet been issued.

Town of New Canaan, Connecticut
 Schedule of Changes in Fund Balance
 Tax Supported Capital Fund
 For the Year Ended June 30, 2019

Project Name	Beginning Fund Balance	Original and Additional Appropriations	Revenues	Expenditures	Transfers and Close-Outs	Ending Fund Balance
Committed Fund Balance						
General Government						
2019 Town Revaluation	\$ -	\$ 72,000	\$ -	\$ 72,000	\$ -	\$ -
2018 Town Revaluation	116,520	-	-	116,520	-	-
2019 IT-Hardware/Software Replacement	-	75,000	-	74,222	-	778
2018 IT-Hardware/Software Replacement	681	-	-	-	-	681
2019 WAN End of Life	-	60,000	-	59,045	-	955
2018 WAN Monitoring/Replacement	28,351	-	-	26,070	-	2,281
2018 License Plate Reader	1,259	-	-	1,194	-	65
Total General Government	146,811	207,000	-	349,051	-	4,760
Public Works						
2019 Waveny Trail Construction	-	-	-	37,700	-	(37,700)
2019 Waveny Park Dredging	-	-	-	18,418	-	(18,418)
2019 Bliss Park Shed - Nature Ctr	-	-	-	10,000	-	(10,000)
2019 Lapham Center Bathroom Upgrade	-	-	-	12,773	-	(12,773)
2019 Pavement Preservation	-	250,000	-	287,352	37,352	-
2019 Signage & Striping	-	25,000	-	19,656	-	5,344
2019 Scanner/Plotter	-	10,000	-	10,000	-	-
2019 Supervisor Vehicle (Truck)	-	35,000	-	34,515	-	485
2019 Equipment Refurbishing	-	25,000	-	24,855	-	145
2019 Fire House - Garage Paint	-	15,000	-	12,395	-	2,605
2019 Parks Garage Saxe	-	300	-	-	-	300
2019 Electronic Vehicle Charging St	-	10,000	-	-	-	10,000
2019 Highway Garage - Old Incinerat	-	51,141	-	8,287	-	42,854
2019 Transfer Station	-	10,000	-	9,071	-	929
2019 Irwin Park Guest Apartment	-	8,302	-	-	-	8,302
2019 Kiwanis Park Pavilion	-	10,250	-	8,800	-	1,450
2019 Supervisor Vehicle	-	35,000	-	31,219	-	3,781
2019 Building Solar Energy Project	-	646,240	34,100	224,307	-	456,033
2019 Pick-Up	-	50,000	-	44,361	-	5,639
2019 Loader Tires	-	22,000	-	20,060	-	1,940
2019 Vehicles w/ Accessories	-	60,000	-	55,498	-	4,502
2019 Ride on Mowers	-	9,900	-	-	-	9,900
2019 Seeder / Aerator	-	31,000	-	31,000	-	-
2019 Playground Safety upgrades	-	30,000	-	-	-	30,000
2018 Town Hall File Storage System	-	-	-	43,025	-	(43,025)
2018 Loader Bucket	-	-	-	13,725	-	(13,725)
2018 Waveny Water Tower Comm.	-	-	-	38,000	-	(38,000)
2013 Locust Ave Lot Engineering	162,807	-	-	1,000	(37,352)	124,455
2014 Cell Phone Study	1,000	-	-	-	-	1,000
2017 Equipment Refurbishing	22,117	-	-	21,752	-	365
2017 Patching Hot Box	15,684	-	-	15,684	-	-
2016 Parking Lots	54,396	-	-	54,396	-	-
2016 Waveny Repairs	(411)	-	-	22,364	-	(22,775)
2016 Athletic Field Improvements	2,223	-	-	-	-	2,223
2017 72" Mower	-	-	-	2,004	-	(2,004)
2017 Coppo Field Irrigation	80,000	-	-	-	-	80,000
2017 HS Track/Field Rebuild	37,068	-	-	28,882	-	8,186
2017 Pavement Preservation	22,198	-	-	-	-	22,198
2017 Parking Lots	50,000	-	-	49,410	-	590
2017 Bridge to WWTF	3,330	-	-	-	-	3,330
2017 Replace Boilers & Control	22,635	-	-	-	-	22,635
2017 Cupola Enginee & Reinforce	20,000	-	-	16,577	-	3,423
2017 Waveny Power Line Upgrade	709	-	-	-	-	709
2018 Signange and Striping	22,456	-	-	22,456	-	-
2018 Bridge to WWTF	98,802	-	-	42,902	-	55,900
2018 Nature Center Pond Dredge	10,000	-	-	-	-	10,000

(Continued)

Town of New Canaan, Connecticut
 Schedule of Changes in Fund Balance
 Tax Supported Capital Fund
 For the Year Ended June 30, 2019

Project Name	Beginning Fund Balance	Original and Additional Appropriations	Revenues	Expenditures	Transfers and Close-Outs	Ending Fund Balance
Public Works (Continued)						
2018 Equipment Refurbishing	\$ 2,340	\$ -	\$ -	\$ 2,307	\$ -	\$ 33
2018 Pick-Up Truck	(4,767)	-	-	-	-	(4,767)
2018 Low-Boy Dump Truck	17,731	-	-	-	-	17,731
2018 Utility Cart	4,572	-	-	-	-	4,572
2018 Carriage Barn ADA Bathroom	6,500	-	-	1,400	-	5,100
2018 Edu Bld Savin Renovate/AD	15,000	-	-	9,740	-	5,260
2018 Vehicles w/Accessories	4,134	-	-	-	-	4,134
2018 Utility Carts	(4,893)	-	-	-	-	(4,893)
2018 Blowers	1,756	-	-	-	-	1,756
2018 Trailers	4,210	-	-	1,194	-	3,016
2018 Leaf Box and Vacuum	9,000	-	-	5,690	-	3,310
2018 Brush Cutters	8,500	-	-	8,483	-	17
2018 Infield Machine	1,662	-	-	-	-	1,662
2018 Seeder/Aerator	559	-	-	-	-	559
2018 Paint Machines	(4,849)	-	-	-	-	(4,849)
2018 Snowplow Tractor Mount	2,645	-	-	3,200	-	(555)
2018 Salt Spreader Body	7,500	-	-	6,889	-	611
2018 Field Improvements	1,093	-	-	1,093	-	-
2018 Irrigation Upgrades	22,660	-	-	10,615	-	12,045
2018 Waveny Phase II	20,000	-	-	-	-	20,000
2018 Exterior Wall Repairs	6,250	-	-	6,250	-	-
2018 HS Farm Road Improvement	47,000	-	-	8,341	-	38,659
2018 Playground Safety Updates	28,000	-	-	28,000	-	-
2017 Athletic Field Improvemen	2,012	-	-	-	-	2,012
2017 Irrigation Upgrades	2,415	-	-	-	-	2,415
2017 Loader Tires	13,725	-	-	-	-	13,725
Total Public Works	839,769	1,334,133	34,100	1,365,646	-	842,356
Recreation						
2015 Mead Park Playground Upgr	1,802	-	-	-	-	1,802
2018 Waveny Athl Field Fencing	10,297	-	-	6,140	-	4,157
2018 Mead Playground Upgrade	37,268	117,635	-	139,635	-	15,268
2018 Lapham Furniture Replcmnt	10,000	-	-	649	-	9,351
2019 Vehicle - Recreation	-	27,500	-	-	-	27,500
Total Recreation	59,367	145,135	-	146,424	-	58,078
Public Safety						
2012 Fire-Regional Mobile Data	17,989	-	-	2,000	-	15,989
2018 Police Vehicles	8,913	-	-	-	-	8,913
2018 Equipment for New Vehicle	(12,258)	-	-	-	-	(12,258)
2018 Vehicle Changeover Costs	3,345	-	-	-	-	3,345
2018 Portable Radio Replacemen	384	-	-	-	-	384
2016 Personal Protective Equip	-	-	-	599	-	(599)
2016 Water Supply Improvement	6,943	-	-	5,542	-	1,401
2016 Equipment & Tools	128	-	-	-	-	128
2017 Personal Protective Equip	11,000	-	-	11,000	-	-
2017 Water Supply Improvement	10,000	-	-	-	-	10,000
2018 Personal Protective Equip	13,400	-	-	219	-	13,181
2018 Rescue Air Bags	(440)	-	-	-	-	(440)
2018 Equipment/Tools	4,293	-	-	3,508	-	785
2018 CAD Updates	12,400	-	-	-	-	12,400
2018 Radio Control Station	4,927	-	-	-	-	4,927
2018 Fire Hose Replacement	10,000	-	-	8,182	-	1,818
2018 Water Supply Improvement	10,000	-	-	-	-	10,000
2018 New Ambulance	7,977	-	-	-	-	7,977

(Continued)

Town of New Canaan, Connecticut
Schedule of Changes in Fund Balance
Tax Supported Capital Fund
For the Year Ended June 30, 2019

Project Name	Beginning Fund Balance	Original and Additional Appropriations	Revenues	Expenditures	Transfers and Close-Outs	Ending Fund Balance
Public Safety (Continued)						
2019 Replacement Vehicle	\$ -	\$ 40,000	\$ -	\$ 50,000	\$ -	\$ (10,000)
2019 Police Vehicles	-	93,000	-	89,110	-	3,890
2019 Equipment for new vehicles	-	20,000	-	21,021	-	(1,021)
2019 Vehicle changeover costs	-	10,000	-	9,241	-	759
2019 Portable Radio Replacement	-	12,000	-	12,000	-	-
2019 Bullet Proof Vest Replacement	-	5,000	-	775	-	4,225
2019 Mobile Radio Replacement	-	4,000	-	3,962	-	38
2019 Taser Replacement	-	5,000	-	4,990	-	10
2019 Personal Protective Equipment	-	22,700	-	-	-	22,700
2019 SCBA Air Bottles	-	6,000	-	6,000	-	-
2019 Radio Replacement	-	21,254	-	2,170	-	19,084
2019 Fire Hose Replacement	-	10,000	-	-	-	10,000
2019 Fire Marshal Vehicle Replacement	-	33,600	-	37,111	-	(3,511)
2019 Water Supply Improvement	-	10,000	-	-	-	10,000
Total Public Safety	109,001	292,554	-	267,430	-	134,125
Education						
2015 School Security Phase 2	50,147	-	-	50,147	-	-
2015 West School Gym Floor	4,309	-	-	4,309	-	-
2016 Structural Eng Services	13,292	-	-	10,893	-	2,399
2016 Masonry Restore/Repair	160,000	-	-	157,892	-	2,108
2016 East Classroom Painting	2,035	-	-	1,800	-	235
2016 West Classroom Painting	4,645	-	-	4,600	-	45
2016 Saxe Curb Repair	34,024	-	-	-	-	34,024
2017 E Masonry Restor/Repair	50,000	-	-	-	-	50,000
2017 E Classroom Painting	945	-	-	600	-	345
2017 E Corridor Ventilation	26,627	-	-	-	-	26,627
2017 W Gym Floor Replacement	102,886	-	-	98,020	-	4,866
2017 W Classroom Painting	5,795	-	-	5,550	-	245
2017 W Kitchen Ceiling Tiles	779	-	-	-	-	779
2017 Saxe Masonry Repairs	73,436	-	-	13,550	-	59,886
2017 Saxe Delaminating Floor	15,135	-	-	8,213	-	6,922
2017 Dist UST Emergency Maintenance	56,000	-	-	-	-	56,000
2017 Dist Elec Switchgear	4,292	-	-	-	-	4,292
2018 District Maintenance Van	14,779	-	-	-	-	14,779
2018 District Engineering Serv	31,000	-	-	19,970	-	11,030
2018 E Carpet Front Main Office	9,909	-	-	-	-	9,909
2018 E Floor Tile Repiars	15,000	-	-	15,000	-	-
2018 S Replace VCT Floor/Vinyl	25,000	-	-	24,253	-	747
2018 S Carpet Frnt Mn Office	3,558	-	-	-	-	3,558
2018 S Eat St Floor Repair	16,846	-	-	7,051	-	9,795
2018 W Carpet Front Mn Office	4,161	-	-	-	-	4,161
2018 NCHS Cafeteria Kitchen FI	20,000	-	-	4,920	-	15,080
2018 Spec. Projects Swr/Sept	24,858	-	-	15,700	-	9,158
2015 East 1st Grade Toilet Upgrade	35,379	-	-	34,122	-	1,257
2019 BOE Engineering Services - Gen	-	30,000	-	16,920	-	13,080
2019 BOE Eng Services - Oil Tanks	-	50,000	-	16,504	-	33,496
2019 BOE Eng Services - Roof	-	100,000	-	81,501	-	18,499
2019 East Painting	-	15,000	-	14,695	-	305
2019 S Masonry Resto - Chimney	-	50,000	-	33,000	-	17,000
2019 S Masonry Resto - Repoint Brick	-	80,000	-	-	-	80,000
2019 South Painting	-	15,000	-	9,925	-	5,075
2019 West Classroom Plumbing Refurb	-	50,000	-	24,098	-	25,902
2019 West Painting	-	15,000	-	14,600	-	400
2019 West Sewer/Septic at West	-	84,315	-	79,175	-	5,140

(Continued)

Town of New Canaan, Connecticut
Schedule of Changes in Fund Balance
Tax Supported Capital Fund
For the Year Ended June 30, 2019

Project Name	Beginning Fund Balance	Original and Additional Appropriations	Revenues	Expenditures	Transfers and Close-Outs	Ending Fund Balance
Education (Continued)						
2019 West Energy Conservation	\$ -	\$ 209,701	\$ -	\$ 171,935	\$ -	\$ 37,766
2019 Saxe Painting	-	25,000	-	10,725	-	14,275
2019 Saxe Energy Conversation	-	34,000	-	28,730	-	5,270
2019 NCHS Painting	-	25,000	-	14,032	-	10,968
2019 NCHS Gym Floor Refurbishment	-	48,000	-	44,924	-	3,076
2019 NCHS Energy Conversation	-	56,162	-	9,653	-	46,509
2019 SPED Transport Vehicle	-	50,000	-	46,738	-	3,262
2019 SPED Transport Vehicle	-	50,000	-	45,488	-	4,512
2019 SPED Transport Vehicle	-	50,000	-	39,488	-	10,512
Community Investment - Town Share	36,930	-	6,720	-	-	43,650
Total Education	<u>841,767</u>	<u>1,037,178</u>	<u>6,720</u>	<u>1,178,721</u>	<u>-</u>	<u>706,944</u>
Total Committed Fund Balance	<u>1,996,715</u>	<u>3,016,000</u>	<u>40,820</u>	<u>3,307,272</u>	<u>-</u>	<u>1,746,263</u>
Assigned Fund Balance						
Interest income	<u>496,708</u>	<u>-</u>	<u>10,723</u>	<u>-</u>	<u>-</u>	<u>507,431</u>
Total Fund Balance	<u><u>\$ 2,493,423</u></u>	<u><u>\$ 3,016,000</u></u>	<u><u>\$ 51,543</u></u>	<u><u>\$ 3,307,272</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,253,694</u></u>

(Concluded)

Internal Service Funds

Internal service funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The internal service funds of the Town are as follows:

BOE Health Benefits Fund

This fund is used to account for the Town's risk financing activities; specifically the Town reports the revenues and expenses of the self-insured health insurance plan for employees of the Board of Education in the Employee Health Insurance Fund.

Town Health Benefits Fund

This fund is used to account for the Town's risk financing activities; specifically the Town reports the revenues and expenses of the self-insured health insurance plan for employees of the Town in the Employee Health Insurance Fund.

Town of New Canaan, Connecticut
Internal Service Funds
Combining Statement of Fund Net Position
June 30, 2019

	Town Health Benefits Fund	BOE Health Benefits Fund	Total
<u>Assets</u>			
Cash	\$ 280,088	\$ 4,295,391	\$ 4,575,479
Accounts receivable	158	115,976	116,134
Due from other funds	402,785	-	402,785
Prepaid expenses	332,882	101,137	434,019
	<u>1,015,913</u>	<u>4,512,504</u>	<u>5,528,417</u>
<u>Liability</u>			
Current liabilities:			
Accounts payable	3,447	2,302	5,749
Claims payable	375,339	1,162,859	1,538,198
	<u>378,786</u>	<u>1,165,161</u>	<u>1,543,947</u>
Total liabilities	<u>378,786</u>	<u>1,165,161</u>	<u>1,543,947</u>
<u>Net Position</u>			
Unrestricted	<u>\$ 637,127</u>	<u>\$ 3,347,343</u>	<u>\$ 3,984,470</u>

Town of New Canaan, Connecticut

Internal Service Funds
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
For the Year Ended June 30, 2019

	Town Health <u>Benefits Fund</u>	BOE Health <u>Benefits Fund</u>	<u>Total</u>
Operating revenues:			
Charges for services	<u>\$ 5,944,259</u>	<u>\$ 14,770,044</u>	<u>\$ 20,714,303</u>
Operating expenses:			
Claims incurred	5,798,186	13,189,990	18,988,176
Administration	<u>970,584</u>	<u>1,308,545</u>	<u>2,279,129</u>
Total operating expenses	<u>6,768,770</u>	<u>14,498,535</u>	<u>21,267,305</u>
Change in net position	(824,511)	271,509	(553,002)
Total net position - July 1, 2018	<u>1,461,638</u>	<u>3,075,834</u>	<u>4,537,472</u>
Total net position - June 30, 2019	<u><u>\$ 637,127</u></u>	<u><u>\$ 3,347,343</u></u>	<u><u>\$ 3,984,470</u></u>

Town of New Canaan, Connecticut

Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended June 30, 2019

	<u>Town Health Benefits Fund</u>	<u>BOE Health Benefits Fund</u>	<u>Total</u>
Cash flows from operating activities:			
Receipts from customers	\$ 6,371,073	\$ 14,832,969	\$ 21,204,042
Payments for benefits and claims	(5,723,007)	(13,147,382)	(18,870,389)
Payments for administration	(1,331,917)	(1,314,693)	(2,646,610)
Net increase (decrease) in cash	(683,851)	370,894	(312,957)
Cash - July 1, 2018	<u>963,939</u>	<u>3,924,497</u>	<u>4,888,436</u>
Cash - June 30, 2019	<u>\$ 280,088</u>	<u>\$ 4,295,391</u>	<u>\$ 4,575,479</u>
Reconciliation of operating income (loss) to net cash from operating activities:			
Operating income (loss)	\$ (824,511)	\$ 271,509	\$ (553,002)
Adjustments to reconcile operating income (loss) to net cash from operating activities:			
Changes in operating assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	4,139	62,925	67,064
Due from other funds	422,675	-	422,675
Prepaid expenses	(332,882)	(5,359)	(338,241)
Increase (decrease) in:			
Accounts payable	(28,451)	(789)	(29,240)
Claims payable	75,179	42,608	117,787
Net cash from operating activities	<u>\$ (683,851)</u>	<u>\$ 370,894</u>	<u>\$ (312,957)</u>

Statistical Section

This part of the Town's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health.

CONTENTS

FINANCIAL TRENDS (TABLES 1 - 4)

These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.

REVENUE CAPACITY (TABLES 5 - 7)

These schedules contain information to help the reader assess the Town's most significant local revenue source, the property tax.

DEBT CAPACITY (TABLES 8 - 10)

These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.

DEMOGRAPHIC AND ECONOMIC INFORMATION (TABLES 11 - 13)

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.

OPERATING INFORMATION (TABLES 14 - 15)

These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Town of New Canaan, Connecticut

Net Position by Component
Last Ten Years
(Unaudited)

June 30

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Governmental activities										
Net investment in capital assets	\$ 148,240,757	\$ 137,636,402	\$ 133,764,958	\$ 115,588,687	\$ 112,332,577	\$ 97,437,742	\$ 105,180,840	\$ 97,372,387	\$ 97,881,549	\$ 97,952,587
Restricted	6,662,400	5,420,359	2,544,051	983,733	1,100,079	1,095,042	1,006,320	996,484	664,293	-
Unrestricted	35,882,489	37,686,105	29,739,055	51,012,408	51,488,216	63,864,740	30,552,888	35,294,704	19,704,312	17,865,700
Total governmental activities net position	\$ 190,785,646	\$ 180,742,866	\$ 166,048,064	\$ 167,584,828	\$ 164,920,872	\$ 162,397,524	\$ 136,740,048	\$ 133,663,575	\$ 118,250,154	\$ 115,818,287
Business - type activities										
Net investment in capital assets	\$ 770,869	\$ 611,257	\$ 430,030	\$ 104,326	\$ (157,349)	\$ (265,682)	\$ (360,685)	\$ (403,545)	\$ 103,030	\$ 103,030
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	147,120	110,498	1,694,476	1,529,588	901,206	1,104,543	897,676	316,851	158,221	120,673
Total business - type activities net position	\$ 917,989	\$ 721,755	\$ 2,124,506	\$ 1,633,914	\$ 743,857	\$ 838,861	\$ 536,991	\$ (86,694)	\$ 261,251	\$ 223,703
Primary government										
Net investment in capital assets	\$ 149,011,626	\$ 138,247,659	\$ 134,194,988	\$ 115,693,013	\$ 112,175,228	\$ 97,172,060	\$ 104,820,155	\$ 96,968,842	\$ 97,984,579	\$ 98,055,617
Restricted	6,662,400	5,420,359	2,544,051	983,733	1,100,079	1,095,042	1,006,320	996,484	664,293	-
Unrestricted	36,029,609	37,796,603	31,433,531	52,541,996	52,389,422	64,969,283	31,450,564	35,611,555	19,862,533	17,986,373
Total primary government net position	\$ 191,703,635	\$ 181,464,621	\$ 168,172,570	\$ 169,218,742	\$ 165,664,729	\$ 163,236,385	\$ 137,277,039	\$ 133,576,881	\$ 118,511,405	\$ 116,041,990

Town of New Canaan, Connecticut

Changes In Net Position
Last Ten Years
(Unaudited)

	Fiscal Year Ended									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Expenses										
Governmental activities:										
General government	\$ 13,772,904	\$ 10,869,000	\$ 11,171,436	\$ 14,304,136	\$ 13,927,757	\$ 14,486,310	\$ 15,143,990	\$ 12,240,228	\$ 12,702,229	\$ 10,909,460
Public safety and protection	14,912,757	13,860,076	14,035,819	14,002,071	13,497,198	6,643,644	10,345,384	10,632,106	10,405,453	9,455,117
Operation of plant	-	1,287,146	1,244,989	1,411,102	1,296,224	1,210,846	1,221,356	1,407,631	1,116,728	1,082,178
Public works	16,122,633	13,087,339	11,485,558	11,060,666	10,965,881	9,975,712	11,285,180	11,473,774	9,030,067	9,538,932
Social services	1,285,697	745,672	602,034	586,266	588,735	472,580	461,984	489,891	460,466	429,576
Parks and recreation	2,439,125	2,040,125	2,012,654	2,002,347	1,925,203	1,845,191	1,745,951	1,752,540	1,387,523	1,560,467
Education	123,282,647	113,878,538	110,347,745	103,225,348	101,929,112	92,072,085	92,556,160	87,273,547	85,991,025	83,352,920
Payments to other agencies	-	2,968,868	3,661,458	2,857,203	2,814,388	2,698,495	2,736,635	2,754,940	2,626,090	2,432,650
Interest	4,044,535	3,691,511	3,705,525	4,042,987	4,252,098	4,074,541	4,505,737	4,477,219	4,111,530	4,773,955
Total governmental activities	175,860,298	162,428,275	158,267,218	153,492,126	151,196,596	133,479,404	140,002,377	132,501,876	127,831,111	123,535,255
Business-type activities:										
Railroad	-	-	172,766	169,935	164,554	164,554	170,928	147,984	173,931	135,176
Property rental	-	-	1,967	4,283	4,136	4,136	5,747	105,612	10,140	647
Waveny pool	377,329	387,528	385,745	376,078	360,848	360,848	314,484	338,036	387,095	470,331
Movie theatre	-	-	16,037	28,769	81,421	81,421	31,317	22,653	42,880	119,728
Parking	-	-	51,303	-	-	-	98,653	-	-	-
Total business-type activities	377,329	387,528	627,818	579,065	610,959	610,959	621,129	614,285	614,046	725,882
Total primary government expenses	176,237,627	162,815,803	158,895,036	154,071,191	151,807,555	134,090,363	140,623,506	133,116,161	128,445,157	124,261,137
Program revenues										
Governmental activities:										
Charges for services										
General government	4,838,142	3,035,683	1,947,195	2,215,534	2,293,337	2,904,132	2,119,720	1,598,240	1,831,582	1,460,841
Public safety and protection	1,435,435	3,510,871	3,309,780	2,540,902	2,720,013	2,600,802	1,631,009	2,435,894	1,183,925	1,105,583
Operation of plant	-	1,519,656	1,418,861	1,372,192	1,389,931	1,535,866	1,506,548	1,418,927	1,930,579	1,164,565
Public works	1,142,886	913,706	954,575	1,007,171	1,089,047	1,094,055	898,533	885,757	639,202	689,279
Social services	544,938	325,818	59,628	59,217	54,009	750	-	-	-	111,038
Parks and recreation	936,192	940,892	861,530	867,419	703,717	779,964	974,347	684,557	311,796	1,074,265
Education	3,189,245	2,583,651	2,421,952	2,187,812	2,428,664	2,371,039	2,080,988	2,103,464	1,877,149	1,429,950
Operating grants and contributions										
General government	331,773	293,211	310,032	447,780	656,564	631,900	1,276,904	556,915	364,489	338,506
Public safety and protection	994	-	42,509	1,086,447	1,127,642	627,546	132,528	-	-	-
Operation of plant	-	48,673	122,487	89,739	81,906	99,811	-	-	-	-
Public works	679,766	-	-	-	-	94,578	2,007,463	588,844	-	-
Social services	20,076	33,917	55,325	14,911	17,478	16,997	18,187	16,259	-	-
Education	132,635	19,832,398	18,061,251	13,210,642	12,796,813	13,171,699	11,819,858	10,047,918	9,843,977	9,787,903
Parks and recreation	27,094,465	-	250,300	22,191	-	-	-	-	-	303,701
Capital grants and contributions										
General government	16,161	-	587,890	191,451	1,359,724	202,876	-	6,548	-	-
Public safety and protection	-	-	-	-	-	5,500	-	-	-	56,057
Operation of plant	-	-	-	-	-	-	-	-	-	-
Public works	299,865	1,641,920	479,475	42,299	547,848	575,250	1,268,310	1,958,031	400,232	1,490,013
Parks and recreation	162,619	-	-	-	-	-	-	-	-	-
Education	9,888	3,150,561	2,202,769	130,886	14,907	20,741	520,418	352,474	138,698	166,611
Total governmental activities	40,835,080	37,830,957	33,085,559	25,486,593	27,281,600	26,733,506	26,254,813	22,653,828	18,521,629	19,178,312

(Continued)

Town of New Canaan, Connecticut

Changes In Net Position
Last Ten Years
(Unaudited)

	Fiscal Year Ended									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Business-type activities:										
Charges for services										
Railroad	\$ -	\$ -	\$ 193,366	\$ 204,233	\$ 194,955	\$ 163,080	\$ 172,918	\$ 185,650	\$ 123,904	\$ 136,100
Property rental	-	-	9,600	9,600	8,800	9,600	11,600	9,600	9,600	12,700
Wavenny pool	535,567	538,178	544,362	472,821	472,292	490,098	384,093	348,534	336,525	322,232
Movie theatre	-	-	104,099	114,722	134,008	114,072	121,772	108,373	106,415	97,700
Parking	-	-	206,656	85,912	-	24,636	467,160	-	-	-
Capital grants and contributions										
Railroad	-	-	-	-	28,582	45,677	-	-	-	-
Total business-type activities	535,567	538,178	1,058,083	887,288	838,637	847,163	1,157,543	652,157	576,444	568,732
Total primary government program revenues	41,370,647	38,369,135	34,143,642	26,373,881	28,120,237	27,580,669	27,412,356	23,305,985	19,098,073	19,747,044
Net expense/revenue										
Governmental activities	135,025,218	124,597,318	125,181,659	128,005,533	123,914,996	106,745,898	113,747,564	109,848,048	109,309,482	104,356,943
Business-type activities	158,238	150,650	430,265	308,223	227,678	236,204	536,414	37,872	(37,602)	(157,150)
Total primary government net expense	135,183,456	124,747,968	125,611,924	128,313,756	124,142,674	106,982,102	114,283,978	109,885,920	109,271,880	104,199,793
General revenues										
Governmental activities:										
Property taxes	143,580,010	138,896,404	134,675,018	130,933,151	125,708,130	121,713,956	117,190,892	114,023,534	111,436,914	109,344,950
Grants and contributions not restricted to specific programs	-	8,816	1,293,517	18,221	162,671	14,628	91,709	164,298	244,076	183,732
Investment income	1,525,984	633,426	410,151	298,737	244,233	297,591	157,891	304,237	244,790	325,271
Gain (loss) on disposal of equipment	-	-	-	-	-	118,360	(536,687)	19,880	-	-
Other	-	-	-	-	-	1,036,166	-	-	-	-
Total governmental activities	145,105,994	139,538,646	136,378,686	131,250,109	126,115,034	123,180,701	116,903,805	114,511,949	111,925,780	109,853,953
Business-type activities:										
Investment income	-	295	2,575	1,216	631	579	659	2,572	2,555	1,700
Total primary government general revenues	145,105,994	139,538,941	136,381,261	131,251,325	126,115,665	123,181,280	116,904,464	114,514,521	111,928,335	109,855,653
Other changes in net position										
Governmental activities:										
Transfers in (transfers out)	(37,996)	(50,318)	(57,752)	(580,616)	323,317	(75,259)	(79,770)	(198,881)	60,000	-
Business-type activities:										
Transfers in (transfers out)	37,996	50,318	57,752	580,616	(323,317)	75,259	79,770	198,881	(60,000)	-
Total primary government other changes in net position	-	-	-	-	-	-	-	-	-	-
Change in net position										
Governmental activities	10,042,780	14,891,010	11,139,275	2,663,960	2,523,355	16,359,544	3,076,471	4,465,020	2,676,298	5,497,010
Business-type activities	196,234	201,263	490,592	890,055	(95,008)	312,042	616,843	239,325	(95,047)	(155,450)
Total primary government change in net position	\$ 10,239,014	\$ 15,092,273	\$ 11,629,867	\$ 3,554,015	\$ 2,428,347	\$ 16,671,586	\$ 3,693,314	\$ 4,704,345	\$ 2,581,251	\$ 5,341,560

(Concluded)

Town of New Canaan, Connecticut
Fund Balances of Governmental Funds
Last Ten Years
(Unaudited)

	June 30									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General fund										
Nonspendable	\$ -	\$ 360,935	\$ 578,142	\$ 739,609	\$ 299,817	\$ 760,229	\$ 196,322	\$ 213,800	\$ 145,332	\$ -
Restricted	-	-	-	-	-	-	196,202	172,708	-	-
Committed	-	-	-	-	-	-	-	750,000	-	2,769,936
Assigned	5,296,230	5,160,413	5,468,274	4,311,322	5,826,771	9,545,033	6,255,727	5,682,297	4,166,418	2,315,785
Unassigned	28,069,597	25,995,141	23,239,825	23,912,207	24,349,923	21,328,599	18,728,822	16,437,613	14,639,863	15,561,697
Total General Fund	33,365,827	31,516,489	29,286,241	28,963,138	30,476,511	31,633,861	25,377,073	23,256,418	18,951,613	20,647,418
All other governmental funds										
Nonspendable	56,500	56,500	91,226	99,360	97,922	85,857	94,468	86,853	25,374	-
Restricted	6,605,900	5,355,613	2,480,708	927,233	1,006,169	1,038,542	753,618	767,276	664,293	-
Committed	7,891,531	11,402,469	5,826,275	11,727,332	7,510,214	14,629,033	2,110,528	4,490,049	3,801,284	1,807,173
Assigned	2,896,825	2,606,843	3,579,613	3,192,904	3,097,726	2,667,729	2,551,004	6,211,740	84,137	85,157
Unassigned	(992,334)	(368,923)	(4,724,469)	(1,301,797)	(1,071,332)	(1,476,556)	(1,663,517)	(1,124,161)	(635,843)	(9,500,265)
Total all other governmental funds	16,458,422	19,052,502	7,253,353	14,645,032	10,640,699	16,944,605	3,846,101	10,431,757	3,939,245	(7,607,935)
Total governmental funds	\$49,824,249	\$50,568,991	\$36,539,594	\$43,608,170	\$41,117,210	\$48,578,466	\$29,223,174	\$33,688,175	\$22,890,858	\$13,039,483

Town of New Canaan, Connecticut
Changes in Fund Balances of Governmental Funds
Last Ten Years
(Unaudited)

	Fiscal Year Ended									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Revenues										
Property taxes	\$ 143,161,338	\$ 140,063,808	\$ 135,854,827	\$ 131,939,267	\$ 127,397,341	\$ 123,757,589	\$ 117,837,580	\$ 115,473,738	\$ 113,129,938	\$ 110,463,936
Intergovernmental	27,802,827	25,472,329	18,897,077	14,493,654	13,983,410	16,521,104	15,471,200	13,468,137	10,997,839	12,604,160
Charges for services	11,586,838	11,675,701	11,860,459	9,926,834	12,268,926	10,915,513	8,555,505	7,703,824	6,775,905	5,867,826
Reimbursements of funds	945,415	708,533	280,084	328,947	1,289,567	1,089,281	181,028	-	287,049	2,547
Investment income	1,525,984	633,426	297,940	290,508	238,881	282,971	132,404	268,970	244,790	325,271
Total revenues	185,022,402	178,553,797	167,190,387	156,979,210	155,178,125	152,566,458	142,177,717	136,914,669	131,435,521	129,263,740
Expenditures										
Current:										
General government	12,912,916	13,300,316	12,877,284	12,746,165	12,986,160	13,392,386	12,447,036	11,553,970	10,933,455	13,147,910
Public safety and protection	12,938,875	12,507,717	12,153,460	12,240,341	12,271,475	10,800,842	12,061,635	-	9,175,472	8,730,246
Public works	10,204,319	9,776,075	9,250,311	9,275,484	9,465,283	8,442,517	7,746,801	18,781,655	8,376,536	8,482,388
Social services	1,083,937	740,672	559,058	606,457	595,872	463,844	467,482	489,891	460,466	429,576
Parks and recreation	1,874,771	1,790,134	1,814,780	1,818,352	1,706,592	1,663,902	1,567,121	1,220,886	1,273,928	1,444,442
Education	118,292,049	107,499,371	104,693,810	96,048,159	94,439,015	89,988,696	87,664,346	83,278,460	82,154,352	80,362,058
Payments to other agencies	3,008,603	2,968,868	3,661,458	2,857,203	2,814,388	2,698,495	2,736,635	2,754,940	2,626,090	2,432,650
Debt service										
Principal	14,639,976	13,407,722	12,782,346	12,632,339	11,117,398	9,525,255	8,752,926	8,144,312	7,795,478	7,675,970
Interest	17,683,246	4,803,553	4,953,946	4,382,568	4,667,636	4,508,126	4,702,417	4,783,657	5,042,761	5,504,319
Capital outlay	15,323,913	21,013,045	21,840,425	11,492,990	20,594,324	13,594,565	8,466,729	11,377,436	10,548,176	4,461,933
Total expenditures	207,962,605	187,807,473	184,586,878	164,100,058	170,658,143	155,078,628	146,613,128	142,385,207	138,386,714	132,671,492
Excess (Deficiency) of revenues over expenditures	(22,940,203)	(9,253,676)	(17,396,491)	(7,120,848)	(15,480,018)	(2,512,170)	(4,435,411)	(5,470,538)	(6,951,193)	(3,407,752)
Other financing sources (uses)										
Issuance of debt	7,269,967	20,000,000	9,300,000	8,439,281	6,540,000	20,130,000	-	6,958,484	16,500,000	-
Issuance of refunding bonds	37,470,000	-	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	(26,574,992)	-	-	-	-	-	-	-	-	-
Lease financing	-	790,242	600,000	800,000	736,000	1,076,256	47,330	677,926	405,000	-
Bond premium	3,546,020	776,563	454,870	914,439	170,390	202,876	-	254,997	81,999	100,000
Sale of capital assets	22,462	22,400	30,795	38,705	101,562	122,034	2,743	22,205	-	-
Insurance settlement	500,000	-	-	-	147,499	411,555	104	37,624	-	-
Transfers in	3,329,120	4,379,448	1,097,325	4,838,172	4,972,143	1,670,176	3,190,513	457,683	2,532,647	76,125
Transfers out	(3,367,116)	(4,429,766)	(1,155,077)	(5,418,788)	(4,648,826)	(1,745,435)	(3,270,283)	(656,564)	(2,472,647)	(76,125)
Total other financing sources (uses)	22,195,461	21,538,887	10,327,913	9,611,809	8,018,768	21,867,462	(29,593)	7,752,355	17,046,999	100,000
Net change in fund balances	\$ (744,742)	\$ 12,285,211	\$ (7,068,578)	\$ 2,490,961	\$ (7,461,250)	\$ 19,355,292	\$ (4,465,004)	\$ 2,281,817	\$ 10,095,806	\$ (3,307,752)
Debt service as a percentage of non-capital expenditures	16.8%	10.9%	10.9%	11.1%	10.5%	9.9%	9.7%	9.9%	10.0%	10.3%

Town of New Canaan, Connecticut

Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Years
(Unaudited)

Fiscal Year	Real Property	Personal Property	Motor Vehicle	Less Exemptions	Total Net Taxable Assessed Value	Direct Tax Rate	Total Estimated Actual Value	Taxable Assessed Value as a Percent of Actual
2010	\$ 7,853,099,730	\$ 58,249,930	\$ 232,403,450	\$ 2,061,650	\$ 8,141,691,460	13.350	\$ 11,630,987,800	70%
2011	7,874,901,410	59,933,500	226,891,590	2,143,750	8,159,582,750	13.590	11,656,546,786	70%
2012	7,904,514,325	61,887,099	237,337,200	3,476,590	8,200,262,034	13.850	11,714,660,049	70%
2013	7,936,480,356	62,467,295	253,674,530	3,999,890	8,248,622,291	14.080	11,783,746,130	70%
2014	7,987,452,336	66,567,550	248,515,992	3,188,840	8,299,347,038	14.590	11,856,210,054	70%
2015	7,730,048,070	70,008,240	255,458,083	3,062,140	8,052,452,253	15.540	11,503,503,219	70%
2016	7,796,166,213	72,780,380	261,552,370	3,507,262	8,126,991,701	15.985	11,609,988,144	70%
2017	7,881,823,880	74,022,290	265,035,780	3,361,410	8,217,520,540	16.312	11,739,315,057	70%
2018	7,953,003,522	74,379,110	271,603,690	3,434,260	8,295,552,062	16.960	11,850,788,660	70%
2019	7,999,217,956	77,539,670	270,744,420	3,181,600	8,344,320,446	16.960	11,920,457,780	70%

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Source: Town tax records (Assessor's department)

Note: The above information presents the information for each period for which it is levied. A tax levy provides taxes remitted in the following year. There are no overlapping governments that collect property taxes from Town residents.

Town of New Canaan, Connecticut

Principal Taxpayers
Current Year and Nine Years Ago
(Unaudited)

Taxpayer	2019			2010		
	Assessed Value	Rank	Percent of Taxable Assessed Valuation (1)	Assessed Value	Rank	Percent of Taxable Assessed Valuation (1)
Eversource Energy	\$ 31,874,210	1	0.38%	\$ -	-	0.00%
Town Close Assoc. LTD Partners	26,020,890	2	0.31%	20,043,800	4	0.25%
New Canaan Lumber Company	17,491,880	3	0.21%	15,475,180	6	0.19%
Country Club of New Canaan	16,727,550	4	0.20%	24,167,800	1	0.30%
Toohey, Philip J. Trustee	13,805,540	5	0.17%	-	-	0.00%
Simon, Edward Trustee	13,454,140	6	0.16%	13,195,000	10	0.16%
Aquarion Water Company of CT	13,263,100	7	0.16%	15,382,130	7	0.19%
Financial Service Vehicle Trust	12,823,800	8	0.15%	-	-	0.00%
Tropin, Kenneth G. Trustee	12,502,840	9	0.15%	-	-	0.00%
De Lom Partners LLC	11,892,020	10	0.14%	-	-	0.00%
Connecticut Light & Power	-	-	0.00%	20,286,510	2	0.25%
Grace Property Holdings	-	-	0.00%	20,124,440	3	0.25%
Tropin, Kathleen O	-	-	0.00%	17,131,300	5	0.21%
Clark Huguette M	-	-	0.00%	14,791,080	8	0.18%
JR Silverberg Realty LLC	-	-	0.00%	13,733,951	9	0.17%
Total	\$ 169,855,970		2.03%	\$ 174,331,191		2.15%
(1) Based on October 1, 2017 and 2008 net taxable grand list of:	<u>\$ 8,344,320,446</u>			<u>\$ 8,141,691,460</u>		

Source: Town assessor department

Table 7

Town of New Canaan, Connecticut
Property Tax Levies and Collections
Last Ten Years
(Unaudited)

Year	Town Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date		Balance Uncollected
		Amount	Percentage of Levy		Amount	Percentage of Levy	
2010	\$ 109,404,724	\$ 108,948,122	99.58%	\$ 456,602	\$ 109,404,724	100.00%	\$ -
2011	111,010,463	110,367,289	99.42%	636,094	111,003,383	99.99%	7,080
2012	113,812,002	113,298,408	99.55%	507,083	113,805,491	99.99%	6,511
2013	116,331,874	115,738,779	99.49%	584,420	116,323,199	99.99%	8,675
2014	121,316,433	120,824,077	99.59%	476,285	121,300,362	99.99%	16,071
2015	125,351,665	125,033,642	99.75%	289,316	125,322,958	99.98%	28,707
2016	130,453,388	130,015,344	99.66%	397,267	130,412,611	99.97%	40,777
2017	134,542,165	134,029,719	99.62%	406,582	134,436,301	99.92%	105,864
2018	138,764,406	138,231,071	99.62%	207,355	138,438,426	99.77%	325,980
2019	141,942,913	141,199,881	99.48%	-	141,199,881	99.48%	743,032

Source: Town tax records. Amounts in Collections in Subsequent Years column are updated each year in determining the Totals Collections to Date column Amount and Percentage of Levy

Town of New Canaan, Connecticut
Ratios of Outstanding Debt by Type
Last Ten Years
(Unaudited)

Fiscal Year	Governmental Activities			Total Debt Outstanding	Business-type Activities	Total Government	Percentage of Debt to Personal Income (1)	Total Debt Outstanding per Capita (1)
	General Obligation Bonds and Premiums	Clean Water Notes	Equipment Financing Notes		Waveny Pool Bonds (2)			
2010	\$ 117,060,779	\$ 6,105,773	\$ 626,833	\$ 123,793,385	\$ -	\$123,793,385	7.09%	\$ 6,217
2011	125,767,162	5,473,618	670,562	131,911,342	-	131,911,342	6.78%	6,716
2012	123,009,945	4,841,114	841,546	128,692,605	1,960,119	130,652,724	6.69%	6,601
2013	114,640,092	4,172,605	528,136	119,340,833	1,800,354	121,141,187	6.23%	6,076
2014	125,614,185	3,500,797	1,030,608	130,145,590	1,656,640	131,802,230	6.37%	6,566
2015	121,361,607	2,816,359	1,109,342	125,287,308	1,499,603	126,786,911	5.92%	6,271
2016	119,342,000	2,118,109	1,154,349	122,614,458	1,337,171	123,951,629	5.79%	6,130
2017	116,597,584	1,405,765	1,116,520	119,119,869	1,167,172	120,287,041	5.60%	5,931
2018	124,314,348	679,043	1,149,491	126,142,882	872,000	127,014,882	5.54%	6,234
2019	114,423,568	-	1,859,522	116,283,090	635,000	116,918,090	5.15%	5,743

(1) - Actual Taxable Value data can be found in the Schedule of Assessments and Personal Income data can be found in the Schedule of Demographic Statistics

(2) - The Town Pool was bonded, details of the amount were combined with the general government in earlier years

Note: Details regarding the Town's outstanding debt can be found in the notes to financial statements

Table 8B

Town of New Canaan, Connecticut

**Ratios of General Bonded Debt Outstanding
Last Ten Years
(Unaudited)**

Fiscal Year	Governmental Activities	Business-type Activities	Total	Bonded Debt Percentage of Actual Taxable Value of Property (1)	Outstanding Bonded Debt per Capita (1)
	General Obligation Bonds and Premiums	Waveny Pool Bonds			
2010	\$ 117,060,779	\$ -	\$ 117,060,779	1.44%	\$ 5,879
2011	125,767,162	-	125,767,162	1.54%	6,403
2012	123,009,945	1,960,119	124,970,064	1.52%	6,314
2013	114,640,092	1,800,354	116,440,446	1.41%	5,840
2014	125,614,185	1,656,640	127,270,825	1.53%	6,340
2015	121,361,607	1,499,603	122,861,210	1.53%	6,077
2016	119,342,000	1,337,171	120,679,171	1.48%	5,969
2017	116,597,584	1,167,172	117,764,756	1.43%	5,807
2018	124,314,348	872,000	125,186,348	1.51%	6,144
2019	114,423,568	635,000	115,058,568	1.38%	5,652

Town of New Canaan, Connecticut
Schedule of Debt Limitation
Connecticut Statutes, Section 7-374(b)
June 30, 2019
(Unaudited)

Total tax collections (including interest and fees) for the prior year \$ 138,938,376

Debt Limitation Multiples	Statutory Debt Limitation Multiples by Classification				
	General Purpose	Schools	Sewer	Urban Renewal	Pension Deficit
2-1/4 times base	\$ 312,611,346	\$ -	\$ -	\$ -	\$ -
4-1/2 times base	-	625,222,692	-	-	-
3-3/4 times base	-	-	521,018,910	-	-
3-1/4 times base	-	-	-	451,549,722	-
3 times base	-	-	-	-	416,815,128
Total debt limitation	312,611,346	625,222,692	521,018,910	451,549,722	416,815,128
Indebtedness: Bonds payable	66,486,835	45,401,165	162,000	-	-
Debt limitation in excess of outstanding debt	\$ 246,124,511	\$ 579,821,527	\$ 520,856,910	\$ 451,549,722	\$ 416,815,128
The total net indebtedness above amounts to:					\$ 112,050,000
In no event shall total indebtedness exceed seven times the base for debt limitation computation:					\$ 972,568,632

There is no overlapping debt for the Town of New Canaan.

Town of New Canaan, Connecticut

**Legal Debt Margin Information
Last Ten Years
(Unaudited)**

Year Ended June 30	Debt Limit	Net Debt Applicable To Limit	Legal Debt Margin	Total Net Debt Applicable
2010	\$773,146,164	\$149,175,067	\$623,971,097	19.29%
2011	789,630,308	143,455,435	646,174,873	18.17%
2012	800,037,980	123,880,384	676,157,596	15.48%
2013	816,576,880	115,550,774	701,026,106	14.15%
2014	853,570,200	126,416,798	727,153,402	14.81%
2015	883,702,169	122,008,730	761,693,439	13.81%
2016	915,312,223	118,834,617	796,477,606	12.98%
2017	915,312,223	118,805,671	796,506,552	12.98%
2018	971,350,758	122,432,043	848,918,715	12.60%
2019	972,568,632	112,050,000	860,518,632	11.52%

Source: Town audit reports.

Town of New Canaan, Connecticut
Demographic and Economic Statistics
Last Ten Years
(Unaudited)

Year Ended June 30,	Population	Median Age	Personal Income	Per Capita Personal Income	Median Household Income	Education Level	School Enrollment	Unemployment Rate
2010	19,912	43	\$ 1,745,605,392	\$ 87,666	\$ 175,331	N/A	4,039	6.0%
2011	19,642	43	1,944,872,272	99,016	223,949	N/A	4,126	3.4%
2012	19,794	43	1,953,529,242	98,693	227,279	N/A	4,178	3.0%
2013	19,938	43	1,943,915,124	97,498	210,605	N/A	4,140	3.1%
2014	20,073	43	2,067,619,365	103,005	225,667	N/A	4,168	3.6%
2015	20,219	43	2,140,100,274	105,846	210,605	N/A	4,168	3.3%
2016	20,219	43	2,140,100,274	105,846	212,096	74.2% Bachelor degree or more	4,174	3.3%
2017	20,280	42	2,146,556,880	105,846	168,311	76.2% Bachelor degree or more	4,210	3.8%
2018	20,376	43	2,292,626,016	112,516	176,601	77.7% Bachelor degree or more	4,237	3.8%
2019	20,357	43	2,270,110,855	111,515	211,875	77.2% Bachelor degree or more	4,134	3.2%

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Sources: Town records, CERC.com, Official Statements, U.S. Census Bureau

N/A - Not available

Town of New Canaan, Connecticut

Principal Employers
Current Year And Nine Years Ago
(Unaudited)

Employer	2019			2010		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Town of New Canaan	930	1	11.44%	901	1	10.93%
Waveny Care Center / New Canaan Inn	520	2	6.40%	250	3	3.03%
Silver Hill Foundation	310	3	3.81%	271	2	3.29%
New Canaan Country School	250	4	3.07%	175	4	2.12%
YMCA	213	5	2.62%	-	-	0.00%
St. Luke's School	123	6	1.51%	108	5	1.31%
ACME Markets	72	7	0.89%	-	-	0.00%
Moran Towing	72	8	0.89%	-	-	0.00%
Walter Stewarts	65	9	0.80%	-	-	0.00%
Grace Farm Foundation	50	10	0.61%	-	-	0.00%
Unimin Corporation	-	-	0.00%	99	6	1.20%
Food Emporium	-	-	0.00%	77	7	0.93%
Karl Chevrolet	-	-	0.00%	39	8	0.47%
St. Aloysius School	-	-	0.00%	25	9	0.30%
Total	2,605		32.04%	1,945		23.58%

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Source: Town records, CERC.com and Official Statements

Town of New Canaan, Connecticut

Full-Time Equivalent Town Government Employees By Function
Last Ten Years
(Unaudited)

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Government										
First Selectman's Office	3	3	3	3	3	3	3	3	3	3
Town Clerk	3	3	3	3	3	3	3	3	3	3
Finance & Human Resources	10	8	8	8	7	7	7	7	7	6
Information Technology	3	3	3	3	3	3	3	3	3	3
Tax Collector	3	3	3	3	3	3	3	3	3	3
Tax Assessor	3	3	3	3	3	3	3	3	3	3
Parking Authority	5	5	4	4	4	4	4	4	4	4
General Government Total	<u>30</u>	<u>28</u>	<u>27</u>	<u>27</u>	<u>26</u>	<u>26</u>	<u>26</u>	<u>26</u>	<u>26</u>	<u>25</u>
Public Safety & Health										
Police Department Sworn	47	47	47	46	46	45	45	45	46	45
Police Department Civilian	6	6	6	6	5	5	5	5	5	5
Fire Department & Fire Marshal	25	26	26	26	26	26	26	26	26	26
Land Use	11	9	10	10	10	9	8	8	8	8
Public Safety & Health Total	<u>89</u>	<u>88</u>	<u>89</u>	<u>88</u>	<u>87</u>	<u>85</u>	<u>84</u>	<u>84</u>	<u>85</u>	<u>84</u>
Public Works										
Public Works Administration	2	2	2	3	3	3	3	3	3	2
Engineering	2	1	1	1	1	1	1	2	2	3
Town Buildings	2	2	2	2	1	1	-	1	1	1
Highway	25	26	25	26	26	26	26	25	28	28
Transfer Station	5	5	5	5	6	6	7	7	7	7
Parks	14	13	13	13	12	13	13	13	13	13
Sewer Plant	4	4	5	5	5	5	4	5	5	5
Public Works Total	<u>54</u>	<u>53</u>	<u>53</u>	<u>55</u>	<u>54</u>	<u>55</u>	<u>54</u>	<u>56</u>	<u>59</u>	<u>59</u>
Government Services Total										
Recreation	7	8	8	8	7	7	7	7	7	7
Health and Human Services	5	4	4	5	8	8	7	5	8	8
Government Services Total	<u>12</u>	<u>12</u>	<u>12</u>	<u>13</u>	<u>15</u>	<u>15</u>	<u>14</u>	<u>12</u>	<u>15</u>	<u>15</u>
Education	<u>745</u>	<u>746</u>	<u>739</u>	<u>733</u>	<u>727</u>	<u>727</u>	<u>722</u>	<u>720</u>	<u>720</u>	<u>720</u>
Total	<u>930</u>	<u>927</u>	<u>920</u>	<u>916</u>	<u>909</u>	<u>908</u>	<u>900</u>	<u>898</u>	<u>905</u>	<u>903</u>

Town of New Canaan, Connecticut
Operating Indicators By Function/Program
Last Ten Years
(Unaudited)

Fiscal Year

Function/Program	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Police:										
Calls for service	15,659	18,585	19,401	18,253	16,254	14,928	16,742	15,911	18,112	19,216
Adult arrest	125	143	167	197	165	169	127	151	201	210
Juvenile arrest	11	24	2	27	29	31	29	36	32	23
Speeding citations only	312	428	761	328	374	337	305	284	562	985
Traffic citations	728	1,162	2,132	1,787	1,610	1,310	1,403	1,522	2,373	2,787
Fire:										
Total fire runs	37	52	36	46	42	51	75	78	75	64
Overpressure/rupture	-	-	-	3	1	4	6	2	6	5
Rescue / EMS	174	132	157	144	125	98	98	71	98	76
Hazardous condition	120	140	120	121	125	153	178	209	178	225
Service call	367	306	255	218	197	140	134	106	134	100
Good intent	164	183	132	125	115	94	74	80	74	64
False alarm	360	328	339	360	463	427	465	525	465	467
Severe weather	2	2	3	-	2	2	10	4	10	13
Special	3	-	3	-	-	-	2	1	2	3
Total incidents	1,227	1,143	1,045	1,017	1,070	969	1,042	1,076	1,042	1,017
Property loss	\$ 327,350	\$ 437,100	\$ 747,450	\$ 116,220	\$ 1,938,600	\$ 1,986,000	\$ 857,250	\$ 546,562	\$ 857,210	\$ 101,500
Building safety:										
Total building permits	2,070	1,764	1,706	1,938	1,495	1,607	1,319	1,541	1,929	1,602
Total value all permits	\$153,753,294	\$ 80,553,913	\$ 85,284,471	\$ 87,098,743	\$ 58,465,725	\$ 115,247,613	\$ 55,883,471	\$ 80,806,930	\$ 89,681,135	\$ 85,423,269
Public service:										
Garbage collection (ton)	6,096	6,165	6,670	7,144	8,038	7,572	7,809	7,731	7,729	8,224
Recycle collected (ton)	1,580	1,520	1,431	1,526	1,657	1,732	1,855	1,740	1,659	1,655
Parks and recreation:										
Waveny Pool:										
Family	627	622	700	838	660	659	730	721	714	696
Family - nonresident	120	100	100	100	100	100	100	-	-	-
Daily	-	-	7	16	18	131	108	122	105	94
Individual	181	199	88	102	84	90	119	138	146	150
Nanny	73	73	84	99	88	100	112	114	108	87
Sr. Citizen	174	166	169	161	141	135	144	151	150	151
Pool Fees	\$ 535,567	\$ 563,604	\$ 536,653	\$ 560,312	\$ 542,547	\$ 718,191	\$ 384,519	\$ 547,848	\$ 337,149	\$ 322,231
Paddle Tennis:										
Adult	266	231	244	247	251	244	255	260	261	260
Daily	-	38	19	9	12	15	29	6	15	0
Family	11	43	48	58	60	61	67	70	80	95
Number of family members	-	122	126	160	170	171	184	212	224	228
Sr. Citizen	54	54	42	41	38	39	43	37	38	27
Youth	5	3	7	5	3	2	10	10	14	19
Permit Fees	\$ 46,210	\$ 44,243	\$ 37,330	\$ 35,410	\$ 34,824	\$ 34,552	\$ 37,074	\$ 33,635	\$ 34,095	\$ 35,480

Source: Various Town departments

Town of New Canaan, Connecticut

Capital Asset Statistics by Function/Program
Last Ten Years
(Unaudited)

Function/Program	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Police:										
Station	1	1	1	1	1	1	1	1	1	1
Patrol Units	13	13	13	10	10	10	10	10	10	10
Fire:										
Stations	1	1	1	1	1	1	1	1	1	1
Fire Apparatus	12	12	6	9	9	9	8	8	8	8
Ambulance:										
Stations	1	1	1	1	1	1	1	1	1	1
Ambulances	3	3	3	3	3	3	3	3	3	3
Public Works:										
Streets (Miles)	125	125	125	125	125	125	125	125	125	125
Traffic Lights	27	27	27	27	27	27	27	27	27	27
Traffic Lights - Town Owned	2	2	2	2	2	2	2	2	2	2
Decorative Lamposts - Town Owned	154	154	154	154	154	154	154	154	154	154
Dump Trucks	13	13	13	13	13	13	13	13	13	13
Other Vehicles/Heavy Equipment	90	81	81	85	85	85	85	85	85	85
Parks and Recreation:										
Acreage	445.94	445.94	445.94	445.94	445.94	445.94	445.94	445.94	445.94	445.94
Parks	6	6	6	6	6	6	6	6	6	6
Baseball/Softball Fields	10	10	10	10	10	10	10	10	10	10
Soccer/Football fields	15	15	15	15	15	15	15	15	15	15
Basketball courts	1	1	1	1	1	1	1	1	1	1
Tennis courts	16	16	16	16	16	16	16	16	16	16
Swimming pools	1	1	1	1	1	1	1	1	1	1
Parks with playground equipment	3	3	3	3	3	3	3	3	3	3
Library:										
Facilities	1	1	1	1	1	1	1	1	1	1
Facilities:										
Town Buildings	41	39	39	39	38	38	38	38	38	38
Total Schools	5	5	5	5	5	5	5	5	5	5
Wastewater:										
Sanitary sewers (miles)	26	26	26	26	26	26	26	26	26	26
Storm sewers (miles)	50	50	50	50	50	50	50	50	50	50
Pump Stations	3	3	3	3	3	3	3	3	3	3
Water:										
Fire Hydrants	396	386	386	386	297	297	292	292	288	288

Source: Various Town departments

Trend Information

FINANCIAL INFORMATION (TABLES 16 - 17)

These schedules contain trend information to help the reader understand how the Town's government-wide financial position has changed over time.

Town of New Canaan, Connecticut

**Net Position - Governmental Activities
Last Three Years
(Unaudited)**

	Fiscal Year Ended		
	2019	2018	2017
<u>Assets</u>			
Current assets:			
Cash	\$ 27,489,257	\$ 24,930,415	\$ 29,581,134
Investments	33,040,403	36,145,668	23,495,001
Receivables:			
Property taxes	692,427	964,227	1,059,422
Accounts	646,725	731,540	654,670
Intergovernmental	241,884	867,270	874,197
Other	535,543	476,705	459,396
Noncurrent assets:			
Restricted assets	371,071	439,826	482,285
Total receivables (net) - property taxes	677,085	-	-
Net pension asset	9,755,172	8,727,024	8,461,137
Total capital assets (net of accumulated depreciation)	266,917,766	263,691,007	252,776,596
Total assets	<u>340,367,333</u>	<u>336,973,682</u>	<u>317,843,838</u>
<u>Deferred Outflows of Resources</u>			
Deferred charge on refunding	-	88,277	108,231
Pension related	378,979	670,499	2,150,110
OPEB related	344,743	53,446	62,208
Total deferred outflows of resources	<u>723,722</u>	<u>812,222</u>	<u>2,320,549</u>
<u>Liabilities</u>			
Current liabilities:			
Accounts payable	5,008,933	4,225,730	10,106,279
Retainage payable	134,249	736,031	-
Accrued payroll and related liabilities	1,070,682	1,502,367	3,116,894
Accrued interest payable	993,018	797,093	775,105
Unearned revenue	265,303	250,950	336,403
Bonds and notes payable	12,753,768	14,229,085	13,883,448
Capital lease payable	-	565,035	545,462
Compensated absences	375,819	339,566	362,085
Heart and hypertension	102,697	50,000	-
Post closure landfill costs	25,000	25,000	25,000
Claims payable	1,538,198	1,420,411	-
Other liabilities	185,365	-	63,880
Noncurrent liabilities:			
Performance bonds	314,276	439,826	482,285
Bonds and notes payable and related liabilities	103,691,322	110,764,306	104,119,901
Capital lease payable	-	584,456	571,058
Compensated absences	2,129,638	1,924,211	1,898,531
Heart and hypertension	924,277	1,589,816	-
Post closure landfill costs	225,000	250,000	275,000
OPEB liability	8,370,772	15,247,770	15,339,977
Total liabilities	<u>138,108,317</u>	<u>154,941,653</u>	<u>151,901,308</u>
<u>Deferred Inflows of Resources</u>			
Deferred charge on refunding	2,231,919	-	-
Pension related	2,918,619	1,645,170	1,866,897
OPEB related	7,046,554	456,215	348,118
Total deferred inflows of resources	<u>12,197,092</u>	<u>2,101,385</u>	<u>2,215,015</u>
<u>Net Position</u>			
Net investment in capital assets	148,240,757	137,636,402	133,764,958
Restricted	6,662,400	5,420,359	2,544,051
Unrestricted	35,882,489	37,686,105	29,739,055
Total net position	<u>\$ 190,785,646</u>	<u>\$ 180,742,866</u>	<u>\$ 166,048,064</u>

Town of New Canaan, Connecticut

**Net Position - Business-Type Activities
Last Three Years
(Unaudited)**

	Fiscal Year Ended		
	2019	2018	2017
<u>Assets</u>			
Current assets:			
Cash	\$ 516,996	\$ 455,557	\$ 2,224,150
Receivables:			
Accounts	-	-	1,145
Noncurrent assets:			
Total capital assets (net of accumulated depreciation)	<u>1,443,869</u>	<u>1,483,257</u>	<u>1,593,950</u>
Total assets	<u>1,960,865</u>	<u>1,938,814</u>	<u>3,819,245</u>
<u>Liabilities</u>			
Current liabilities:			
Accounts payable	22,519	16,124	117,375
Accrued payroll and related liabilities	15,748	31,162	24,599
Accrued interest payable	7,849	9,393	-
Unearned revenue	323,760	288,380	307,500
Bonds and notes payable	211,000	199,000	172,293
Other liabilities	<u>-</u>	<u>-</u>	<u>78,093</u>
Total current liabilities	580,876	544,059	699,860
Noncurrent liabilities:			
Bonds and notes payable and related liabilities	<u>424,000</u>	<u>673,000</u>	<u>994,879</u>
Total liabilities	<u>1,004,876</u>	<u>1,217,059</u>	<u>1,694,739</u>
<u>Deferred Inflows of Resources</u>			
Deferred charge on refunding	<u>38,000</u>	<u>-</u>	<u>-</u>
<u>Net Position</u>			
Net investment in capital assets	770,869	611,257	426,778
Unrestricted	<u>147,120</u>	<u>110,498</u>	<u>1,697,728</u>
Total net position	<u>\$ 917,989</u>	<u>\$ 721,755</u>	<u>\$ 2,124,506</u>

Town of New Canaan, Connecticut

**Balance Sheet - Governmental Funds
Last Three Years
(Unaudited)**

	Fiscal Year Ended		
	2019	2018	2017
<u>Assets</u>			
Cash	\$ 22,913,778	\$ 20,041,979	\$ 21,328,707
Restricted cash	314,276	439,826	482,285
Investments	33,097,198	36,145,668	23,495,001
Receivables (net):			
Property taxes	1,369,512	964,227	1,059,422
Intergovernmental	241,884	867,270	874,197
Accounts	530,591	548,342	462,804
Due from other funds	2,463,418	2,038,975	14,814,949
Other	101,524	380,927	381,303
Total assets	<u>\$ 61,032,181</u>	<u>\$ 61,427,214</u>	<u>\$ 62,898,668</u>
<u>Liabilities</u>			
Liabilities:			
Accounts payable	\$ 4,987,648	\$ 4,172,926	\$ 10,030,688
Accrued payroll	1,070,682	1,502,367	1,768,270
Retainage payable	134,249	736,031	-
Due to other funds	2,881,739	2,882,250	11,725,011
Unearned revenue	265,303	250,950	336,403
Performance bonds	314,276	439,826	482,285
Other liabilities	185,365	-	-
Total liabilities	<u>9,839,262</u>	<u>9,984,350</u>	<u>24,342,657</u>
<u>Deferred Inflows of Resources</u>			
Unavailable revenue:			
Property taxes	<u>1,368,670</u>	<u>873,873</u>	<u>2,016,417</u>
<u>Fund Balances</u>			
Nonspendable	56,500	417,435	437,803
Restricted	6,605,900	5,355,613	2,480,708
Committed	7,891,531	11,402,469	5,826,275
Assigned	8,193,055	7,767,256	9,047,887
Unassigned	<u>27,077,263</u>	<u>25,626,218</u>	<u>18,746,921</u>
Total fund balances	<u>49,824,249</u>	<u>50,568,991</u>	<u>36,539,594</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 61,032,181</u>	<u>\$ 61,427,214</u>	<u>\$ 62,898,668</u>